FBIS DAILY REPORT

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PROPAGANDA CONFERENCE BEGINS IN WARSAW 2 DEC

LD022315 Warsaw PAP in English 2010 GMT 2 Dec 86

[Text] Warsaw, Dec. 2 -- An international scientific conference on the role of propaganda in the confrontation between the two socio-political systems started here today with delegations from Bulgaria, Czechoslovakia, Mongolia, GDR, Hungary, Vietnam, the Soviet Union and Poland participating. The participants in the conference stressed that the West considers a total information war to be an effective, long-term means of struggle against socialist countries, mainly against the Soviet Union and its Warsaw Treaty allies.

The scientists also underscored that propaganda subversion against socialist countries both causes tensions in international relations and serves interference in the internal affairs of socialist community states.

According to UNESCO data, about 80-90 per cent of circulating information is controlled by Western countries and two thirds out of it by the U.S. alone. This provides a basis for the development and strengthening of psychological war and propaganda subversion against socialism, international communist and worker movement, national liberation and democratic movements, and also against developing countries.

The conference was attended by head of the PUWP CC Foreign Department Ernest Kucza.

Conference Ends 4 Dec

AU221855 Warsaw TRYBUNA LUDU in Polish 5 Dec 86 p 2

[PAP report: "West's Ideological Subversion"]

[Text] Subversive activities were, are, and will certainly remain for a long time crucial instruments of the West's foreign policy vis-a-vis the societies of the socialist countries. This was one of the concluding findings of the participants of the Warsaw international scientific conference on the role of propaganda in the confrontation of the two sociopolitical systems, which ended on 4 December. The conference was attended by delegations from Bulgaria, Czechoslovakia, Mongolia, the GDR, Hungary, and the USSR. Plenary and working group debates analyzed the aims and motives of propaganda aggression against socialist countries and discussed the organization and methods of anticommunist ideological subversion. At the same time, the conference devised new solutions with regard to the contents and forms of socialist propaganda abroad and with regard to counterpropaganda.

The conference also pointed out that Poland continues to be a target of massive propaganda in the long-term political and propaganda concepts devised by NATO countries against European Socialist countries.

BULGARIAN RECEIVES CULTURAL CONFERENCE DELEGATES

AU171236 Sofia RABOTNICHESKO DELO in Bulgarian 12 Dec 86 p 8

[Text] Yordan Yotov, member of the BCP Central Committee Politburo and secretary of the BCP Central Committee, yesterday received the leaders of the delegations who participated in the scientific-theoretical conference of the Multilateral Socialist Countries Commission on the Theory of Culture, Literature, and Art History. The guests were briefed on topical tasks which the Bulgarian Communists and all our people are now coping with in implementing the decisions of the 13th BCP Congress.

ZERI I POPULLIT EXAMINES SOVIET-SFRY RELATIONS

AU191314 Tirana ATA in English 0932 GMT 19 Dec 86

["The Ties of Yugoslavia With the Soviet Union Consolidated" -- ATA headline"]

[Text] Tirana, December 19 (ATA) -- Under the above title the newspaper ZERI I POPULLIT carries an article written by Shaban Murati which says among other things:

Recently, the foreign press has attached a special attention to the Soviet-Yugoslav relations. A cause for this has been the frequent mutual visits of the high ranking delegations and the bilateral talks on questions that aim at consolidating the cooperation in the most different fields, political, economic, military, cultural, etc. Of special attention has been the visit in Moscow and the talks of the chairman of the Presidency of the Central Committee of the Communist League of Yugoslavia, Milanko Renovica, with Gorbachev.

This visit closes an intensive period of contacts, during which, as TANJUG informs, there has been a wide exchange of visits between the premiers, the foreign ministers and other members of the government. During summer alone, Mikhail Gorbachev sent two personal messages to the Yugoslav leadership, whose content is not yet made public; at the beginning of this month, Belgrade was visited by the chairman of the Committee of the State Security of the Soviet Union, Viktor Chebrikov, who signed also an agreement, according to which, as TANJUG said, "Yugoslavia and the Soviet Union will exchange information in the field of security for their countries, Europe and the world in general."

The communique on the high level Yugoslav-Soviet talks held in Moscow and the comments of the Soviet and Yugoslav press -- enthusiastically show of a further strengthening of the bilateral ties. The communique lays the stress on the consolidation and extension of the interparty relations and the continuous political dialogue between these two states. At the end of the visit, Renovica declared that "The relations between the two countries have reached a high level." On its part, the Soviet news agency, TASS, reported that "A new great leap has been made with regard to the development of the Soviet-Yugoslav collaboration." and that "The political base is created for further and stable development of the relations between the two countries." According to it, the talks between Gorbachev and Renovica gave "a new content" to the bilateral relation.

In Yugoslavia it is pointed out the fact that "The Soviet Union comprehends and supports the efforts of Yugoslavia in implementing its program on economic stabilization, the newspaper writes further on. [quotation marks as received] The Soviet Union, actually, takes from Yugoslavia all those commodities which the latter is unable to sell in the West because of competition and other factors. At the same time, the Soviet Union supplies Yugoslavia with considerable quantities of gas and oil, which, in other case, it had to find somewhere else through hard currency which it lacks.

According to the agreements concluded recently in Moscow the economic exchanges between the two countries in the coming 5 years will reach 36 billion dollars. The exchanges with the Soviet Union cover 27 percent of the volume of the Yugoslav foreign trade and the Soviet Union is the first partner of Yugoslavia in its foreign trade. The place the military supplies take in these exchanges is unknown, but, as the foreign press writes, they are considerable and are becoming ever more qualitative. Moreover, it is unknown the political weight of the economic facilities that the Soviet Union offers Yugoslavia, at a time when the latter has not yet come out of the economic crisis.

But, the stands and thesis of the Soviet foreign policy in the Soviet-Yugoslav joint communique found a public and official approval on the part of Yugoslavia. Fewer criticisms towards the foreign policy of the Soviet Union which were rather frequent before are being made in the press of Yugoslavia and in the speeches of its leaders.

The consolidation of the ties of Yugoslavia with the Soviet Union, the newspaper continues, is being accompanied with an intensification of its links with the Comecon. As TANJUG reports, the chairman of the permanent Yugoslav mission in the Comecon, Budimir Lalovic, informed on December 7 in Moscow the Comecon secretary, Vyacheslav Sychev, of a decision of the Yugoslav Government on the participation of the economic and research scientific organisations in the completion of some projects envisaged in the complex program of the technical-scientific program of the Comecon member countries up to 2000. As it is made known, this program of the Comecon envisages the further economic and political integration of its members, approved by the summit meeting held in Moscow last year.

"The cooperation, according to the program, aims at furthering the relations between Yugoslavia and the Comecon in general and the individual member countries," TANJUG writes.

Recently a qualitative intensification of the special relations between the Republic of Serbia and that of Russia in the Soviet Union is being noticed, thus reviving the old tradition. The first vice-chairman of the Presidium of the Supreme Soviet of the USSR, Petr Demichev, during his visit to Yugoslavia in October met only with the leaders of Serbia and Macedonia. Besides, observers pointed out that the premier of Serbia, Desimir Jevtic, who was on a visit to the Soviet Union in November, was welcomed as a head of state. The consolidation of the special ties between the Republic of Russia and that of Serbia was also an item which was discussed in the visit that the delegation of the committee of the Communist League of Belgrade, led by its chairman, Dragisa Pavlovic, made in Moscow. It had talks with Boris Yeltsin, first secretary of the party committee of Moscow.

The consolidation of the political, economic and other ties of Yugoslavia with the Soviet Union, which leads to the increase of the Soviet influence and presence in Yugoslavia, brings about new worrying elements in the atmosphere of the Balkans, which, even without them, is not quite calm. The interests of the peoples of the Balkans, of peace and security in this zone, the newspaper ZERI I POPULLIT writes in conclusion, want that the superpowers stay apart from them and not to approach and embrace them.

STALIN'S BIRTHDAY COMMEMORATED IN TIRANA

AU221828 Tirana ATA in English 1024 GMT 22 Dec 86

[Text] Tirana, December 22 (ATA) -- On occasion of 107th anniversary of the birth of J.V. Stalin, great Marxist-Leninist, the loyal disciple and worthy continuer of the immortal work of V.I. Lenin, various activities were organized in the capital.

Working people of work and production centers, pupils of secondary schools, Pioneers of Enver have visited the "Lenin-Stalin" Museum these days. Through the documents and photos displayed in this museum they have got acquainted with the figure of Stalin as a resolute fighter against revisionism, imperialism and reaction. Lectors of the museum have delivered the discourses "The PLA and Comrade Enver Hoxha, Loyal Defenders of the Figure and Revolutionary Work of J.V. Stalin", J.V. Stalin, Great Proletarian Internationalist, Outstanding Leader of the World Communist Movement", etc. The visitors have also seen documentary films devoted to Stalin.

Similar activites were also held in the Bistrice hydropower station, Sarande District, in Qytet Stalin, Berat District, and in the district of Shkoder.

SFRY'S IVANOVIC PAYS VISIT TO SHKODER DISTRICT

AU182000 Tirana Domestic Service in Albanian 1900 GMT 18 Dec 86

[Text] At the invitation of Faik Cinaj, chairman of the Executive Committee of Shkoder District People's Council, Ratko Ivanovic, president of the Executive Committee of the city of Titograd, has been paying a visit to the district of Shkoder. He visited economic and cultural sites in the city of Shkoder and the Enver Hoxha hydroelectric station at Koman. He left our country today.

TITOGRAD, SHKODER PLAY 'FRIENDLY' SOCCER MATCH

AU172005 Tirana Domestic Service in Albanian 1900 GMT 17 Dec 86

[Text] At the invitation of the Vllaznia Sports Club, the Buducnost soccer team of Tiograd arrived in Shkoder, with a group of sport lovers from their city. A friendly match was held today at the Vojo Kushi Stadium in Shkoder between Vllaznia and the Buducnost team of Titograd. Present at the match was Faik Cinaj, chairman of the Executive Committee of Shkoder District People's Council. Also present were Ratko Ivanovic, president of the Titograd Executive Committee, and Novak Pribicevic, ambassador extraordinary and plenipotentiary of the SFRY in the People's Socialist Republic of Albania. The match ended with a score of 2 to 1 in favor of Vllaznia of Shkoder, and goals were scored for Vllaznia by Bushati and Laci in the 9th and 29th minutes, and for Titograd by Martac in the 23d minute.

ALIA, MARKO, MALILE RECEIVED MEXICO'S ECHEVERRIA

AU211854 Tirana ATA in English 1016 GMT 21 Dec 86

[Text] Tirana, December 21 (ATA) -- The first secretary of the Central Committee of the Party of Labour of Albania and president of the Presidium of the People's Assembly, Comrade Ramiz Alia, received in the Palace of Brigades on December 20 before noon the outstanding Mexican personality, the former president of the United States of Mexico and now president and director general of the Center of Economic and Social Studies, Luis Echeverria.

Present in the reception were the vice president of the Presidium of the People's Assembly, Comrade Rita Marko; the minister of foreign affairs, Reis Malile; and the director of the Institute of International Studies and Relations, Prof. Sofokli Lazri.

Comrade Ramiz Alia thanked the former president of the United States of Mexico for the visit to our country. He said that you are an outstanding and sincere friend of the Albanian people because you have contributed to the consolidation of the friendly ties between Albania and Mexico and between our two peoples. [sentence as received]

On his part, Luis Echeverria evaluated the visit he paid to Albania as very fruitful, especially because he saw closely the achievemtns in our country. At the same time, he pointed out the progress of our country in different fields and stressed that the example of Albania is that of an independent country marching surely ahead and which has avoided the dependence on other states, phenomenon this [as received] which is suffocating today many countries of the world.

Comrade Ramiz Alia said that all possibilities exist so that the existing friendly relations between Albania and Mexico develop further in the field of trade, culture, art, science, etc. He pointed out the love and sympathy of the Albanian people towards the Mexican one, who are a people with revolutionary and patriotic traditions and with an ancient and rich culture.

Comrade Ramiz Alia acquainted the friend from Mexico with the present economic and social development of the country, with the struggle and efforts our people are making for the development and progress of the country, with the principles of our foreign policy and the stands of our country towards the present international questions.

During the talk opinions were exchanged on other problems of the present international situation.

Comrade Ramiz Alia underlined the evaluation that the former president of Mexico made of the experience of Albania in the economic and social development.

Luis Echeverria said that the visit he made to Albania was for him of a special value for study. The explanations you gave me, he said to Comrade Ramiz Alia, will be of great value to me. The road traversed by Albania is a rich experience for many countries of the world.

The reception passed in a cordial and friendly atmosphere. After the talk, Comrade Ramiz Alia gave a luncheon for Mr. Luis Echeverria and his collaborators.

Echeverria Departs

AU211741 Tirana ATA in English 1021 GMT 21 Dec 86

[Text] Tirana, December 21 (ATA) -- The outstanding Mexican personality, Luis Echeverria, former president of the United States of Mexico and now president and director general of the Center of Economic and Social Studies, left our country on December 20. He was seen off at the airport by the director of the Institute of International Studies and Relations, Prof. Sofokli Lazri; the chairman of the Albanian Committee for Culture and Friendly Relations with Foreign Countries, Jorgo Melica, and others.

Over his stay in the capital, the former president of Mexico, Luis Echeverria, visited the "Albania Today" Exhibition where he was received by the vice chairman of the State Planning Commission, Gani Qemo. Over this visit, Luis Echeverria took interest in the all-sided economic and social development of our country, the progress made in industry, agriculture, education, culture and health service. He expressed his admiration for these deep-going transformations and said among others that a scholar should visit this exhibition in Tirana which synthesises the development of Albania and to understand at this moment which are the bases for an independent development. [sentence as received]

Besides, Luis Echeverria went to the "Enver Hoxha" University on December 20. The rector of this university, Prof. Osman Kraja, acquainted him with the all-round didactic, educational and scientific work made in different faculties to prepare higher cadres.

ZHIVKOV'S RUSE SPEECH ON REGIONAL DEVELOPMENT

AU211621 Sofia RABOTNICHESKO DELO in Bulgarian 18 Dec 86 pp 1, 2

[Speech by Todor Zhivkov, general secretary of the BCP Central Committee and chairman of the State Council, at the plenum of the Ruse Okrug BCP Committee in Ruse on 17 December: "A New Approach in Territorial Development Is Required" -- capitalized passages published in boldface]

[Text] Comrades: Permit me first of all to convey to you most cordial greetings on behalf of the Politburo of the BCP Central Committee.

It gave me satisfaction to accept the instruction of the Politburo to take part in today's plenum of the Rose Okrug BCP Committee. The plenum has displayed complete unanimity in relieving Comrade Petur Petrov of the first secretaryship of the okrug BCP committee due to his transfer to other work, and also unanimously elected Comrade Ivan Vinkov to take his place.

I would like to wish Comrade Petur Petrov success in the responsible work which the Central Committee is entrusting to him as first deputy chairman of the Economic Council under the Bulgarian Council of Ministers. You all realize that this represents a high assessment of his work hitherto.

The Politburo is convinced that Comrade Ivan Vinkov, with the full support of the members of the bureau and the okrug BCP committee, will justify the great trust shown in him.

Comrades:

It is perhaps no exaggeration to state that ROSE OKRUG IS ONE OF THE UNIQUE REGIONS OF THE PEOPLE'S REPUBLIC OF BULGARIA. This fact is organically linked both with the PAST and the PRESENT of the okrug.

It is linked with the past because we cannot imagine our history without Ruse and the surrounding region. It is no accident that Ruse is called Bulgaria's "window" toward Europe and toward Russia -- our liberator. All this has left indelible traces in the development of this region, in its economy and culture, in the intellect and self-confidence of its people.

It is linked with the present because the region of Ruse reflects like a mirror the present-day appearance of Bulgaria and, in addition, is one of the constructive forces for our development.

IN THE COMBINATION OF THINGS OF VALUE FROM THE PAST WITH THE VIRTUES AND ACHIEVEMENTS OF THE PRESENT, LASTING, UNREPEATABLE FACTORS HAVE BEEN LAID DOWN FOR THE DEVELOPMENT OF RUSE OKRUG, FACTORS WHICH MUST IN NO WAY BE OVERLOOKED IN ANALYZING ITS PROBLEMS.

At the same time, all this presents, and cannot fail to present, certain claims on the Ruse region in connection with the question of its future, of the prospects for its development. For the past, present, and future form a dialectical unity.

IF WE CONSIDER THE MOST GENERAL CHARACTERISTIC OF RUSE OKRUG AT THE PRESENT, IT MUST BE SAID THAT THIS IS AN OKRUG WHICH IS DEVELOPING WELL.

A solid material-technical, social, and cultural base has been constructed. The okrug's contribution to the country's overall development increases with every passing year. In the okrug's economy, priority importance is being given to machine building, electronics, and the chemical industry. New production capacities were commissioned at the Heavy Machine Building Economic Combine, at the Ship-Building and Ship-repairing Combine, at the Combined Plants for Printed Circuit Boards and Testing equipment, at the Reduction Gearbox Plan, and so on. Some 12 small and medium-sized enterprises were commissioned. The yields from a number of agricultural crops were increased. The 5-year-plan figures were overfulfilled in the field of animal husbandry.

In addition, the working people's living standard is improving. During the 5-year plan period that has elapsed the per capita income of the population has increased by 23.7 percent. The consumption of basic foodstuffs and nonalimentary consumer goods has increased.

In certain areas Ruse Okrug distinguished itself in carrying out important, nationwide initiatives.

The 1986 plan is also being successfully implemented. According to certain quality indexes, such as social labor productivity, profits from nonagricultural organizations, and others, rates of growth from 14 to 21 percent higher than during the same period of 1985 were achieved during the last 11 months. The plan for commodity and net production was overfulfilled.

A technological center for vacuum technology equipment was established. Progress was marked in the mechanization and automation of processes in the agricultural sector.

THE RUSE OKRUG PARTY ORGANIZATION IS FIRMLY RALLIED AROUND THE BCP CENTRAL COMMITTEE AND REPRESENTS A STRONG SUPPORT AND MAINSTAY OF THE PARTY'S APRIL POLICY.

We cannot fail to be pleased about the successes of the Ruse area and of the Ruse Okrug party organization. These successes are the results of the selfless labor of Communists, United Agrarians, and of the non-party people and youths of the Ruse area. They are an expression of these people's socialist consciousness and of their lofty patriotism.

NEVERTHELESS, COMRADES, RUSE OKRUG IS TODAY FACING THE NECESSITY OF A DRASTIC CHANGE IN ITS DEVELOPMENT. A LIMIT HAS BEEN REACHED BEYOND WHICH THERE WILL BE NO FURTHER PROGRESS UNLESS IMPORTANT, NEW, AND URGENT PROBLEMS ARE PERCEIVED AND RESOLVED.

The majority of these are problems which our party has considered and is solving as a result of the 13th BCP Congress. These problems are facing the entire party and our whole country.

I am talking, above all, about the implementation of the strategic policy of achieving a qualitatively new economic growth, a growth in all spheres of our social development. We set ourselves the goal to achieve this qualitative improvement on the basis of the contemporary scientific-technical revolution, through an optimal use of intensive factors.

We are talking about the necessity of accomplishing comprehensive quality changes in production, in economic and social life, in the intellectual sphere, in the political system, and in administration. We are talking about an acceleration of the rates of our socioeconomic development, precisely through technological innovation and through a structural reorganization of the economy.

In this connection we assumed the task of promoting the further democratization of our society through the consistent application of the self-management principles at all levels and through the establishment of self-managing organizations.

All this requires a new quality in the human factor, in man's social activity.

We assigned ourselves higher, new goals in social policy with a view to satisfying more fully the material, intellectual, and social needs of the people.

These problems stem from the strategic trend mapped out by the 13th BCP Congress; they are expected to be discussed at the beginning of next week at a plenum of the BCP Central Committee. A package draft plan for the country's socioeconomic development during the Ninth 5-Year Plan period, as well as a draft code for economic activity, a draft statute for the associations, and a proposal for their establishment, will be submitted at the plenum.

Comrades, as we see, we are now entering a new stage in which we will face qualitatively new problems and tasks of our comprehensive development. These are problems and tasks that also face Ruse Okrug with the same urgency.

This urgency is due to the complexity of the tasks which are facing us, as well as to certain negative aspects in the economic sector of our okrug.

The technological innovation of several basic enterprises is being delayed. The level of fund yields is decreasing. The competitive quality of the industrial goods is poor. The use of basic equipment is further deteriorating and has assumed alarming dimensions. There are important social problems that remain unsolved. The question of air pollution and environmental pollution in the town of Ruse is particularly urgent.

The problems stemming from the strategic line of the 13th BCP congress are such that they cannot be resolved with the means of the past. This is one aspect of the question.

The other aspect is that the solution of the aforementioned problems requires more than a positive style and method of work. This aspect of the question is particularly important because the Ruse Okrug leadership has always traditionally distinguished itself by an efficient and businesslike approach to work. The present problems could not be resolved without this style of work. HOWEVER, WE SHOULD RELY NOT ONLY ON THE POSITIVE STYLE OF WORK -- ACTUALLY, IT WOULD BE A MISTAKE TO DO SO.

As is known, the style of work is not immutable either. It is particularly important to point out that the style of work is a function stemming from the approach to work.

IF A NUMBER OF VIEWS, CONCEPTS, APPROACHES, AND SO FORTH, ARE PRESERVED IN THIS OKRUG IN THEIR PRESENT FORM, AS THEY HAVE EXISTED FOR SEVERAL YEARS IN THE PAST, STAGNATION WILL TAKE PLACE. It is necessary to adopt new views, concepts, and approaches, likely to be in accordance with the new strategic line, likely to create prerequisites for a qualitatively new growth on the basis of the contemporary scientific-technical revolution. All this necessitates a reorganization, which must encompass all party, state, economic, scientific, and other leading organs and cadres. The reorganization must involve party work, as well, and the work of the okrug BCP committee above all other things.

Whenever we talk about the urgent problems of the okrug, the fact is of particular importance that the solution of these problems naturally depends upon the postulates, decisions, and approaches which are adopted at the national level. The decisions of the forthcoming BCP Central Committee plenum will be of tremendous importance in this respect.

It is, however, hardly necessary to prove that regardless of how good the decisions adopted on the national level are, they will by no means automatically change things in the okrug. It is urgently necessary in this connection to DRAW PARTICULAR ATTENTION to the manner in which the PROBLEMS OF THE INDIVIDUAL OKRUGS AND OF THE COUNTRY'S TERRITORIAL STRUCTURES must now be analyzed.

According to an established tradition, we have adopted the following procedure in our country: Following the adoption of decisions at high party forums, the okrug leaderships consider the implementation of these decisions as their chief task. In addition, the success of this approach depends to the greatest extent upon the ability to assess the specific character of the situation in a given okrug and in a given settlement system. This requirement is also being observed. However, this is by far not sufficient.

Following the 11 April plenum, and in the last 10-15 years in particular, we pursued policy of raising the economic, social, and cultural standards in all areas of the country. As you know, we have achieved considerable successes in doing so. This policy will continue to be the main focus of our attention in the future.

Nevertheless, we must say that today, under the conditions of a qualitatively new growth, we can by no means be satisfied by our hitherto achieved successes. IT IS NECESSARY TO ADOPT A BASICALLY NEW CONCEPT ABOUT REGIONAL STRUCTURES, INCLUDING OKRUGS.

I would not like to say that the presently existing territorial-administrative units in our country -- such as okrugs, settlement systems, and municipalities -- should be disbanded. The task is to search for and find new approaches and new methods of resolving their problems.

In this connection certain considerations about the necessity of basically new concepts for our capital were recently developed at a joint meeting of the Bureau of the Sofia City BCP Committee and the Sofia City People's Council Executive Committee.

THE CHIEF ARGUMENT DISCUSSED AT THIS MEETING WAS THAT SOFIA CANNOT REMAIN A CLOSED UNIT, DEVELOPING ITSELF AND EVOLVING AROUND ITS OWN RESTRICTED, ADMINISTRATIVE-PATRIARCHAL ATMOSPHERE. TO PUT IT MORE PRECISELY AND FIGURATIVELY SPEAKING, WE CAN SAY THAT SOFIA MUST OPEN UP TOWARD BULGARIA, JUST AS THE WHOLE COUNTRY IS OPEN TOWARD SOFIA. IT SHOULD NOT REMAIN A CLOSED CAPITAL SURROUNDED BY WALLS, SEPARATED FROM THE OTHER AREAS AND FROM THE WHOLE COUNTRY'S SOCIOECONOMIC AND INTELLECTUAL LIFE. No essential problem whatsoever can be resolved in Sofia unless it is linked to the achievements of the other areas of the country and to our overall economy. [paragraph continues]

The absence of such an approach is one of the basic reasons that numerous bothersome problems have been accumulated in recent years in our capital, and instead of being a leading city, Sofia is actually lagging behind.

On the other hand, this isolation of our capital prevents Sofia's production, scientific, and cultural potential from being used for developing the other areas of our country. In the meantime, however, certain okrugs have advanced and began to draw the "gray matter" from the capital, and this is understandable. It is impossible to implement a full-fledged development under the conditions of patriarchal narrow-mindedness and isolation; it is impossible, under such circumstances, to ensure a creative upsurge and to stimulate the cadres.

Sofia is not merely an administrative unit.

Sofia means Bulgaria.

This is precisely why it is necessary to adopt an entirely new concept for Sofia's development.

Without such a concept our capital will remain isolated, while numerous new problems will be accumulated, as they have accumulated so far.

THIS APPROACH IS NECESSARY FOR ALL OKRUGS IN OUR COUNTRY TODAY, INCLUDING RUSE OKRUG.

THE IMPLEMENTATION OF A NEW CONCEPT FOR REGIONAL DEVELOPMENT IS THE MAIN PREREQUISITE FOR THE DEVELOPMENT OF ALL TERRITORIAL STRUCTURES TODAY.

The following questions must be resolved within the framework of this concept: The question of accelerating technological innovation; the question of a qualitatively new growth; the question of increasing the efficiency of management; the question of stimulating the working people's activities, and so forth.

Certain basic factors are of particular importance at the present stage of development:

IN THE FIRST PLACE, it is of particular importance to overcome the so-called TERRITORIAL FEUDALISM in the development of our okrugs and settlement systems. This is a phenomenon which has been firmly established in all places -- in the way of thinking and planning, as well as in the economic and cultural sectors, and even in the people's mentality. We are now in the process of creating prerequisites to overcome "branch feudalism" which leads to a bureaucratic approach. "Territorial feudalism" is no lesser evil and represents an obstacle to the solution of new tasks.

This is why, in the light of our new approach, we also need BASICALLY NEW POSTULATES FOR THE REGIONAL COMMUNITIES IN THE PEOPLE'S REPUBLIC OF BULGARIA. Every okrug (and this applies to Ruse Okrug, in particular) must develop not as a mechanical sum of production units and settlement systems, but as a UNIFORM TECHNOLOGICAL AND SOCIAL COMMUNITY and must also form such communities with the other okrugs.

What is the situation today?

As a rule, our okrugs are developing independently. The philosophy has been adopted that the limits of SOCIOECONOMIC LIFE IN A GIVEN OKRUG IS DETERMINED SOLELY BY THE OKRUG'S ADMINISTRATIVE BORDERS.

This identification of administrative and economic structures has determined the practice of solving problems within narrow limits, regardless of the great difficulties which the okrugs encounter in certain cases. Something which is similar to the natural farming units[naturalni stopanstvo] of feudalism is thus being created. There is, for example, a pronounced tendency for EACH OKRUG TO "EQUIP ITSELF" WITH PRODUCTION PLANTS without taking sufficiently into account whether the existing technical equipment, which is quite expensive in certain cases, will be fully exploited. There is no or there is hardly any INITIATIVE FOR A JOINT SOLUTION of common production, infrastructure, cultural, educational,demographic, and other problems. There are only a few cases in which the managements of neighboring okrugs conduct PERIODICAL DISCUSSIONS of their regional problems. There are cases of nieghboring okrugs which are quarreling over the construction of certain enterprises and cannot agree upon it. SUCH DELAYS, HOWEVER, TAKE PLACE AT THE EXPENSE OF NATIONWIDE INTERESTS.

Things sometimes go so far that "NEUTRAL," "NO MAN'S LAND" ZONES MUST BE ESTABLISHED BETWEEN TWO OKRUGS, SO AS TO AVOID CONFLICTS BETWEEN THEM. It is paradoxical that mediators are needed to resolve such conflicts, and USUALLY THE CENTRAL PARTY AND STATE ORGANS, and in most cases the State Planning Commission, are playing the role of such mediators. WHAT, FOR EXAMPLE, WOULD BE THE ADVANTAGE OF A NEW APPROACH TO THESE PROBLEMS IN THE CASE OF RUSE OKRUG?

OBJECTIVE PREREQUISITES exist for joining together efforts and opportunities for developing different forms of cooperation and integration in the material and social spheres. Such opportunities are created by the following factors: the production, economic, and other links that have been established with other okrugs; the common interests and problems connected with the efficient utilization of resources, the material-technical base, equipment, and manpower; the specialization that has been developed and the existing differences in the production structure of these okrugs, which presuppose a drawing together in affiliated areas, as well as complementing each other through the exchange of technologies, activities, and so forth.

Important trends can be mapped too for the integration of the forces and possibilities of the individual okrugs on the basis of well analyzed and determined mutual interests and advantages. Why should we not seek better solutions to such problems with joint efforts through the following measures: coordinated actions for a more successful implementation and fulfillment of the obligations of okrug people's councils as UNIFORM INVESTORS IN THE INFRASTRUCTURE and others; consolidation of links between scientific-research, experimental, and development units for the drastic improvement of the CONTRIBUTION OF THE EXISTING SCIENTIFIC POTENTIAL OF SCIENTIFIC SERVICES to the economic sector in, let us say, the Ruse, Silistra, Veliko Turnovo, Razgrad, and Turgovishte Okrugs; joint agreements to establish a common basis for the PREPARATION, TRAINING, AND QUALIFICATION OF CADRES IN A GIVEN AREA; a certain specialization among okrugs in the field of local industry and in other branches with a view to their mutual assistance with the purpose of INCREASING production and EXPANDING THE VARIETY OF CONSUMER GOODS; RESHUFFLING PRODUCTION CAPACITIES AMONG OKRUGS IN CASES OF MANPOWER SHORTAGES WITH THE PURPOSE OF SERVING MUTUAL INTERESTS; broad expansion of the CONTRACTUAL SYSTEM of an okrug with other okrugs, with self-managing organizations, and with state organs for the solution of basic economic, social, cultural, and cadres problems at the level of a given territory, and so forth.

Other questions, as well, could be resolved with the same approach, such as: THE THOROUGH AND COMPREHENSIVE UTILIZATION of raw materials, the EXPLOITATION of processing plants; the optimal development and FLEXIBLE MANIPULATION of the construction basis, of the transportation means available, and so forth; the most efficient and sensible utilization of the NATURAL RESOURCES existing in our country, and of WATER FOR IRRIGATION in particular, as well as the ensurance of ECOLOGICAL BALANCE and the preservation of soil fertility.

This will enable us to resolve most efficiently the problems of specialization and production sharing, of structural economic reorganization within the limits of the okrug, and within the limits of a given area.

IN THE SECOND PLACE, THE PROBLEM OF OVERCOMING "TERRITORIAL FEUDALISM" DOES NOT MERELY AFFECT THE MUTUAL RELATIONS BETWEEN NEIGHBORING OKRUGS. THIS PROBLEM IS MUCH GREATER AND MUCH MORE PROFOUND.

Why is this so?

It is so because in the spirit of the new concept it is NECESSARY TO ENSURE AN OPTIMAL CONCENTRATION OF RESOURCES IN DECISIVE SECTORS IN ORDER TO OVERCOME THE DISSIPATION OF FINANCIAL MEANS, IN ORDER TO ENABLE EVERY OKRUG TO ACCOMPLISH BREAKTHROUGHS OF NATIONWIDE IMPORTANCE.

What is the situation in your okrug?

The situation is such that Ruse Okrug is widely known throughout the country as an okrug with positive achievements; however, no one can mention a leading national priority that has been created and established by this okrug. What will be the "Made in Ruse" asset that will represent Bulgaria on a nationwide scale and throughout the world? Can an okrug endowed with the lofty self-confidence of its citizens rely merely upon positive traditions?

Such questions concern the people in Ruse Okurg; they influence the people's correct education. As we know, Ruse citizens make high demands on themselves and are open-minded.

These questions concern not only the economy, but the people in your okrug and throughout the country.

The slogan as established for each okrug can be described as one for all and all for one. This means that each okrug must open its doors, adopt an open-minded attitude, and work for the other okrugs, and vice versa.

If the question is posed in this manner, we will obviously stop talking about "great" and "small," "strong" and "weak" okrugs.

The concept "okrug" is exceeding the limits which we adopted years ago. The characteristic trait of an okrug in the contemporary sense of the word in not ITS ADMINSTRATIVE STATUTE, BUT THE SOCIOECONOMIC AND INTELLECTURAL STRUCTURE THAT HAS BEEN ESTABLISHED ON ITS TERRITORY. This structure, however, is part of the national economy of the whole country; it is part of the country's life.

The concrete implementation of this strategy would enable Ruse Okrug to break out in several directions from its present isolation.

In THE FIRST PLACE your okrug can develop and drastically improve the standards of its scientific potential. It is no longer admissable to continue the present situation.

THE EXAMPLE OF PLOVDIV OKRUG IS INDICATIVE. Under the leadership of the BCP okrug committee and under the personal leadership of Comrade Ivan Panev, the first secretary of this okrug, scientific and scientific-production links are developing with great elan and on a long-term basis in this okrug. [paragraph continues]

These links include: biotechnologies; optical technologies, including laser equipment, molecular electronics [molekulyarna elektronika]; comprehensive automation of assembling work; new materials: and others. Along with the care devoted to existing higher educational institutions, branches of the Bulgarian Academy of Sciences and other forms of organization of scientific activities are developing in Plovdiv Okrug, and relations are being established with famous institutions and higher educational institutes in the Soviet Union and other socialist countries. Thanks to all this, progressive structural changes are being introduced in the okrug's economy, production based on scientific research is developing, and prototypes of new products are created in various sectors.

This, of course, does not imply that everyone should copy the "Plovdiv model!" The main thing for Ruse is to "open up" to the nationwide scientific front, so as to be able to develop respective integration links with Sofia and with other centers, at accelerated rates, and so as to promptly establish a solid, scientific potential. The experience of the "Angel Kunchev" higher technical school is indicative for the opportunities existing in Ruse. NEVERTHELESS, THIS IS BY NO MEANS A PREREQUISITE FOR FURTHER PROGRESS. The same applies to the OPPORTUNITIES OF RUSE OKRUG IN SOME FIELDS (for example, in mathematics) where certain unutilized traditions exist.

In the SECOND PLACE, on the basis of the existing electronic plants and heavy machine-building enterprise, Ruse could develop as a national center in these fields and as a basic center for the development and transfer of advanced technologies. However, the present state of affairs in this respect is no guarantee for such development.

Obviously, a new concept is necessary to achieve all this.

IN THE THIRD PLACE, the necessity is ripe to apply a new approach in THE DEVELOPMENT OF THE SETTLEMENT SYSTEMS.

The new element is that under the conditions of socialist self-management the settlement systems must function as SELF-MANAGING TERRITORIAL COMMUNITIES.

The issue is no longer the leading of the settlement systems by the okrug. The main thing is to create conditions for the settlements to achieve their MUTUAL INTEGRATION in order to solve the basic socioeconomic and cultural problems of the population in a given territory. Such an approach is particularly important today and necessary for the ESTABLISHMENT OF SMALL AND MEDIUM-SIZED ENTERPRISES. In this area, too, we do not need any "no-man's-land" zones, in order to merge two or three settlement systems for the sake of a common goal. WE ARE IN FAVOR OF SMALL ENTERPRISES, WHICH HAVE MODERN STANDARDS AND A BROAD SOCIAL EFFECT. It is from this point of view that the questions of the development and enrichment of INTELLECTUAL LIFE in the settlement systems should be solved.

In the spirit of the decisions of the 13th BCP Congress, it is now necessary for the municipalities to move decisively forward, and TO RAISE THE MUNICIPALITY TO THE POSITION OF A SELF-MANAGING ORGANIZATION FOR THE POPULATION.

It is expedient for the municipality to become an organizer of broad-scale economic activity in the sphere of services and industry for man, as well as with the aim of creating all necessary economic conditions for expanding the activities at the levels of the enterprises, cooperatives, workshops, and so forth, according to the principle of territorial subordination. In the same direction, more aid must be rendered to the economic organizations in order to build and maintain the social, technical, and transportation infrastructure in the municipalities. It is necessary to ensure the real economic viability of the municipality, and it is to be elevated to the position of a SELF-MAINTAINING SOCIAL COMMUNITY.

It is also necessary for the municipality to be "OPENED UP" and to ensure its self-sufficiency on the basis of its own specialization and through production sharing with other municipalities.

All these considerations demonstrate how pressing the need is to further improve the entire party, state, and economic leadership in every okrug, in every territorial settlement system, and in every municipality.

IN THIS RESPECT, THERE IS A RADICAL NEED TO CHANGE THE APPROACH THROUGHOUT THE WHOLE CHAIN — PLANNING, PROVISION OF RESOURCES, THE INVESTMENT PROCESS, RENEWAL OF TECHNOLOGIES, CADRE TRAINING, TRADING SERVICES, AND SO FORTH IN THEIR REGIONAL ASPECT. Ruse Okrug possesses the conditions and the possibilities to become a pioneer in applying such an approach in our country.

Comrades:

Allow me to briefly dwell on the contemporary international situation.

In my view, there have been two CENTRAL EVENTS in the international arena in recent times:

First, the Reykjavik meeting between Comrade Gorbachev and Mr Reagan; and

Second, the meeting in Moscow of the leaders of the fraternal parties of the CEMA member-countries.

I will start with the MEETING IN MOSCOW. This was an EXCEPTIONALLY IMPORTANT EVENT in the life of the socialist community, for the reason that this meeting examined in a spirit of frankness and trust KEY PROBLEMS OF THE THEORY AND PRACTICE OF SOCIALISM WHICH ARE OF FATEFUL SIGNIFICANCE for our countries, for the fraternal community, for world socialism, and for the fate of mankind. Important problems were examined which stem from the present-day situation, relating to INTENSIFYING THE ECONOMIC, POLITICAL, AND IDEOLOGICAL COOPERATION BETWEEN THE CEMA MEMBER-COUNTRIES AND MAKING CEMA A YET MORE EFFICIENT AND EFFECTIVE ORGANIZATION.

AT THE MOSCOW MEETING UNANIMOUS SUPPORT WAS GIVEN TO THE POSITION OF THE SOVIET UNION, AS BRILLIANTLY SET OUT AND DEFENDED BY COMRADE GORBACHEV AT REYKJAVIK.

We say, and are correct in saying, that we face a situation today which has no equal in history. It is determined by the fact that thermonuclear weapons are capable of annihilating man and the civilization he has created. Whether mankind will survive or not — this is the cardinal problem.

You follow the press and the television and radio broadcasts, so I will not repeat what has already been made known.

What is the most important thing? It is first and foremost the fact that militarism is growing to gigantic proportions and threatening mankind. NATO, and more particularly the U.S. imperialists, are spreading militarism on land, on the sea, in the air, and in outer space — in all directions. Also important is the fact that what did not exist 10 or 15 years ago, or if you like 5 years ago, is now in full swing. Mankind does not remember such a thing. I am referring to the case of nuclear militarism, and also have in mind the intentions to turn outer space into a nuclear base for a first strike against us, against the socialist countries.

But this is not all. A very important feature of contemporary militarism is also the development of ordinary, so-called conventional weapons. The Western NATO member-countries have in recent years increased their military arsenals several-fold and are developing a powerful military industry linked with war production.

In many regions of the world, regional military centers are being set up -- in South Africa, in the Arab East, in the Pacific Ocean region, in the region of the Indian Ocean, and so on. These centers have two aims: On the one hand, to act as guarantees for the robbery by the monopolies in the developing countries of the relevant regions; and, on the other hand, to undermine the established military parity.

Reykjavik is a great cause, which our Soviet comrades have accomplished.

What does this cause consist of?

The Soviet Union appeared WITH A PACKAGE OF PROPOSALS which could lead to a radical change in the situation in the world, to the benefit of detente and peace. No agreement was reached at Reykjavik. Nonetheless, the whole world was once again convinced that precisely THE SOVIET UNION IS A CONSISTENT INITIATOR for eliminating the thermonuclear danger. It became clear that the U.S. Administration is relying on the STRATEGIC DEFENSE INITIATIVE, which will lead to the militarization of outer space and the intensification of the arms race on a qualitatively new basis.

The course of events shows how great is the importance of MILITARY PARITY and, most of all, nuclear parity for preserving peace. We are consistent supporters of disarmament, but as long as a threat exists from the side of imperialism we are forced to maintain this parity.

In this context it is particularly worthwhile to note the Soviet Union's decision on a unilateral moratorium on nuclear tests, which has been in force for more than a year and a half. The nations gave a high assessment to this decision as an expression of peace-loving Soviet policy and the USSR's determination to create conditions for halting the arms race. The Soviet moratorium expires at the end of this year.

What should happen later?

It is logical that the Soviet Union cannot extend the moratorium infinitely, after the U.S. Administration has refused to join it and is not stoping nuclear tests. We, our party and government, would unreservedly support the Soviet Union's position if it decided to end the moratorium after it expires at the year's end, since the other side is giving no signs of good will or of new political thinking. It is especially important for THE ANTIWAR MOVEMENT TO EXPAND with fresh force, and to mobilize the widest circles, irrespective of their political, ideological, regional, national, or other differences, in the struggle for peace.

THE FOREIGN-POLICY COURSE AND THE INITIATIVES OF THE WARSAW PACT STATES ARE DIRECTED at overcoming the threat of thermonuclear war, stopping the arms race, and developing understanding and cooperation among nations.

In this context, MIKHAIL GORBACHEV'S VISIT TO INDIA deserves the highest assessment. It raised to a qualitatively new level the cooperation between the USSR and India both in the bilateral aspect and in the international arena. [paragraph continues]

Once again, it was confirmed in the most convincing manner that Soviet-Indian relations, which are being built on the sound foundation of the Treaty of Peace, Friendship, and Cooperation of 1971, are a primary factor for peace and security in Asia and throughout the world.

The DELHI DECLARATION that was signed is an expression of the new political thinking confirming to the realities of today's nuclear-space era. WE WELCOME THIS DECLARATION.

We also assess equally high the results of the EIGHTH CONGRESS OF THE NONALIGNED COUNTRIES IN HARARE. These results are an important contribution by the progressive forces of the "Third World" to the positive solving of the vital problems at the present alarming period. The conference was a clear and definite expression of the harmony of the anti-imperialist and antimilitarist forces of the Nonaligned Countries' Movement with the cardinal goal facing mankind, namely, to preserve world peace.

Comrades:

Despite the fact that the international situation continues to be tense, we ARE OPTIMISTS.

We are optimists because the forces of reason and peace are continuously growing, and they are capable of stopping the nuclear madness.

Our historical optimism stems from the great achievements gained hitherto by socialism and by the new prospects which are opening up before us in all fields of development. The congresses of the fraternal parties which have been held mark a new stage in the development of the socialist community. In this respect the 27th Congress of the CPSU is of historic importance.

Our historical optimism stems from the awareness of the great responsibility which socialism bears to world civilization, from the awareness that we are the true representatives of world progress, from the awareness that in the historical context time is working in our favor, and that we must make the maximum use of this time.

The workers in our country are firmly resolved to implement the plans and designs of the 13th BCP Congress and achieve the planned renewal and qualitatively new growth in the economy and the other spheres of society.

I would like to express the confidence of the BCP Central Committee that the workers and the Communists in Ruse Okrug, under the leadership of the okrug BCP committee, will make a worthy contribution to the flourishing of our dear native land, the People's Republic of Bulgaria.

BRIEFS

VARNA HOSTS SCIENTIFIC CONFERENCE -- An international conference opened in Varna yesterday. It is devoted to cooperation among ther socialist countries in the sector of instrument building for scientific research of the sea and is attended by delegates from Bulgaria, the GDR, Poland, and the Soviet Union. [Text] [Sofia RABOTNICHESKO DELO in Bulgarian 14 Dec 86 p 2 AU]

POTAC OUTLINES 5-YEAR PLAN TO ASSEMBLY

AU171511 Prague RUDE PRAVO in Czech 9 Dec 86 pp 3, 4

[Speech by Svatopluk Potac, CSSR deputy premier and chairman of the State Planning Commission, delivered at the joint session of the Federal Assembly's Chamber of Nations and Chamber of the People, in Prague on 8 December: "Speech By Comrade Svatopluk Potac at the Meeting of the Federal Assembly's Chambers"]

[Text] In accordance with the resolution of the 17th CPCZ Congress, the CSSR Government submits for constitutional discussion the draft bill of the State Plan for the Development of the CSSR's National Economy for the Period 1986-90.

Immediately following the approval of the bill on the Eighth 5-Year Plan by the Federal Assembly, the national councils discussed draft bills on the 5-year plan for development of the republics' national economies.

This legislative procedure, which also included the adoption of bill No. 115/1985 on the state plan for the development of the CSSR's national economy in 1986, concludes the process of preparing the Eighth 5-Year Plan.

The fourth session of the CPCZ Central Committee last week discussed the elaboration and the ensurance of the conclusions of the 17th CPCZ Congress in the Eighth 5-Year Plan and in the draft bill.

We are discussing the bill on the Eighth 5-year Plan during the final part of a year which will go down in the history of our socialist fatherland as a year in which the 17th CPCZ Congress determined the strategic line of accelerating socioeconomic development through intensification and carrying out qualitative changes in all spheres of society's life and of the national economy.

The conclusions of the 17th CPCZ Congress have met with the full support of the National Front and have also become its program. Our citizens expressed their assent to this policy in the elections to representative bodies, because it corresponds to their vital interests, creates conditions for a further marked enhancement of the standard of living, and a happy life for our people.

To successfully fulfill our plans and objectives, we need peace most of all. We highly value the consistent peace initiative of the Soviet Union, its endeavor to eliminate nuclear weapons, halt the arms buildup, reduce international tension, and strengthen mutual trust among states and nations. This fully corresponds to the wishes and aspirations of our people.

Together with the other socialist countries, we are taking an active part in this policy. The creative work and active participation of our working people in fulfilling the socioeconomic program of the 17th CPCZ Congress and the strong and efficient economic potential of our country are an integral part and an expression of support for this policy of the Soviet Union, and are enhancing the authority of socialist Czechoslovakia in the world.

The preparation of the Eighth 5-Year Plan, whose main objectives and fundamental tasks are contained in the submitted draft bill together with the conditions for implementing them, was carried out in the second half of the Seventh 5-Year Plan, when much effort was expended to fulfill the conclusions of the 16th CPCZ Congress

You deputies and our public know well what momentous problems and tasks had to be resolved in the previous 5-year plan in connection with the marked increase in costs related to the acquisition of domestically produced and imported fuels and raw materials, in overcomimg the lower harvest at the beginning of the 5-year plan, in restoring the external economic equilibrium, and in overcomeing discriminatory procedures on the part of the majority of the capitalist states vis-a-vis the socialist countries.

The Results of the Seventh 5-Year Plan Are Positive [subhead]

The Communist Party Central Committee and the goverment reacted to that new situation and to the more difficult conditions in the concept of the Seventh 5-Year Plan by making the investment and import policy stricter, by changing the structure of production and consumption and, above all, by an orientation toward intensification, increasing cost effectiveness, efficiency, and quality in all work. Bill No. 122/1981 on the Seventh 5-Year Plan also proceeds from that.

It is pleasing that, in discussing the bill on the Eighth 5-Year Plan, I can note that the targets of that economic policy, the objectives and fundamental tasks of the bill on the Seventh 5-Year Plan were -- on the whole -- fulfilled. The national economy adapted itself in principle to the new conditions in a fairly short time -- in the first 2 years of the 5-year plan, even though this was at the price of a planned temporary drop in the pace of development. The restoration of the dynamism of the national economy's growth as of 1983 ensured that its level was as determined by the 16th CPCZ congress. This made it possible to increase the standard of living compared with the assumptions of the 5-year plan.

Marked progress was achieved with regard to restoring the equilibrium of external economic relations, especially by paying off a greater part of debts in freely convertible currencies and by dealing with the consequences arising from high import prices.

The first, but still inadequate results were achieved in mobilizing of untapped resources in connection with efficiency and thrift. The national economy and our working people proved their ability to solve serious problems and fulfill tasks under substantially more demanding conditions. We are aware that there were also failures. It was necessary to overcome quite a few obstacles, shortcomings, and negative trends.

The habits surviving from extensive development, stereotypes, and sometimes even irresponsible attitudes were weakening the achieved results.

In the fourth election period, the Federal Assembly, its agencies, and individual deputies -- in their suggestions and recommendations, in making use of their experience from contacts with voters, and by applying the findings from the verification of adopted measures -- played an initiating role in implementing the bill on the Seventh 5-Year Plan.

The CSSR prime minister regularly submitted to the Federal Assembly government reports on the fulfillment of the government program, and thanked the deputies and the Federal Assembly's agencies for their commitment.

Members of the Federal Government and ranking personnel of ministries and central agencies also submitted reports on their activity to the Federal Assembly Presidium and the committees of the two chambers, discussed the fulfillment of state plans, and supplied information on conclusions they had adopted on the basis of recommendations of the Federal Assembly's agencies and individual deputies.

Taking the Path of Accelerating Development [subhead]

Compared with the Seventh 5-Year Plan, the 17th CPCZ Congress set a considerably more exacting program of economic and social development for the Eighth 5-Year Plan. This unequivocally arises from the demand voiced by Comrade Gustav Husak at the 17th congress: "The key question posed to us by the current stage of development from both the domestic and the international viewpoint is the need to accelerate the socioeconomic development of our society, to substantially increase the efficiency and effectiveness of the national economy."

The strategy of the acceleration of social and economic development is commensurate with the stage of building an advanced socialist society, with the transition of the economy to the intensive type of development in harmony with the growing needs of the national economy and in the interest of strengthening the CSSR's international position in the world. The well-being of and benefits for the population are the main purpose of the effort to achieve the fastest possible increase of the national income and the creation of material resources. Only a more effective and socially desirable creation of resources enables the further growth of the material and cultural standard of the people, stengthens their social certainties, and enables an improvement in the environment. It is a necessary prerequisite for increasing the country's economic potential, implementing structural changes, and modernizing and reconstructing the economy's technical base. It creates the requisite means for the necessary safeguarding of the country's defense capability and for the creation of national economic reserves needed to ensure the stability of the 5-year plan and the balanced development of the national economy.

The CSSR Government proceeded from this, and since as early as 1983 it has systematically devoted itself to preparing the 1986-90 state plan and to a long-term strategy up to the year 2000. In this connection, it assessed a great number of concepts and determined the line for and directions of the elaboration of basic documents for further economic and social development on the basis of comprehensive intensification and of new quality in economic growth, with the aim of accelerating economic development.

The line of acceleration through intensification of the economy, high efficiency, quality, and a thrifty approach is formulated in the State Plan for the Development of the National Economy for the Period 1986-90 and is contained in the draft bill for the Eighth 5-Year Plan. A specific example of this is the growth of the national income from 11.3 percent in the Seventh 5-Year Plan to 19 percent in the Eighth 5-Year Plan, and the considerable increase -- from 3.1 to 15.9 percent -- in used [uzity] national income for internal needs of the population, society, and the economy.

Economic Growth (in 1984 prices)

Growth Indexes in Percent			Volume
1985/80		1990/85	in the year 1990 in
reality	draft bill on Eighth 5-Year Plan	state plan for Eighth 5-Year Plan	billions of Kcs

Created gross national income	111.3	118-119	119.0	737
Gross national production	112.5(a)	115-118	115.8	941
Construction production	98.8	110	110.9	106
Gross agricultural production	109.2	--	105.6	120
total in 5 years	109.7	106-107	106.8	583 (b)
Personal consumption	105.0	111-112	111.9	324
Material costs of nonproduction sectors	121.6		113.7	141
Overall volume of investments				
total in 5 years	102.5	110-112	111.0	895 (b)

(a) 114.8 in 1977 prices
(b) volume for the 1986-90 period

When working on the Eighth 5-Year Plan and preparing the bill, we used the positive experience acquired in the course of fulfilling the tasks of the past 5-year plan, in the last 2 years of which we achieved an average annual growth in national income amounting to 3.3 percent. That development created a good starting point for a 3.5-percent growth in national income in this 5-year plan. Determining this dynamism also proceeds from the fact that great potential and untapped reserves, which we must mobilize, still exist in the national economy.

These reserves and this potential lie in a creative application of the economic rules of management and planning, in making use of fiscal-economic instruments, in people's initiative, in order and discipline, in markedly rising the responsibility and the standard of management work of ranking personnel and their apparatuses.

Mobilization of Creative Forces [subhead]

All-round intensification based on the mobilization of creative forces in the scientific research base, technological development in preparing new production and in innovation activity, and also the implementation of structural changes in branches and products -- while utilizing the advantages of the international division of labor -- forms the backbone of the concept of the Eighth 5-Year Plan and the draft bill. All-round intensification is the main source of the growth of national income, which is to be achieved with the present level of raw materials, energy, and material sources.

Nevertheless, compared with the majority of developed countries, the intensiveness of creation of national income remains high. This is a strategic problem which will be solved by the long-term development program now being prepared.

In the growth of the national income -- Kcs118 billion -- social labor productivity is to account for about 92 percent, and the growth of employment for only 8 percent. This result is to be achieved by a higher valorization of all input into production, by the increased efficiency of production factors, and thus by a considerable reduction in the proportion of the social product consumed by production. With respect to many indicators, these tasks are up to twice as exacting as the actual results achieved in the Seventh 5-Year Plan. In practice this means that, with the same quantity of raw and other materials, with the full utilization of production capacities, and with lower costs we must produce more quality products and more technically advanced products which will be sought after in foreign and domestic markets and which will elevate the standard of our economy.

Quality Indicators of Development

	(average annual development) Seventh 5-Year Plan reality	Draft Bill on Eighth 5-Year Plan	State Plan for Eighth 5-Year Plan
Growth of social labor productivity (in percent)	1.8	--	3.2
Proportion of national income's growth covered by social labor productivity (in percent)	81.6	92-95	92.0
Reduction of material-intensiveness of the creation of gross national income (a)	-0.7	--	-2.0
Reduction of energy-intensiveness of the creation of gross national income (a)	-1.5	-2.9	-2.9
National economy's demand for transportation (a)	-1.8	-1.9	-2.5
Reduction of the share of total costs in output (a)	-0.58	--	-1.16
Investment intensiveness of national income growth (Kcs of investments per Kcs1 of national income)	12.3	--	7.60

(a) is expressed in differences between paces of development

The valorization process is the foundation of the high efficiency and the qualitative changes that have been initiated in the Eighth 5-Year Plan and the draft bill. It manifests itself, for example, in the fact that the new needs for primary energy resources are almost 90-percent covered by savings. The state's fuel-energy balance sheet is oriented toward higher-grade forms of energy, especially toward increasing the proportion of electricity from nuclear power plants, natural gas, and the central provision of heat, while reducing in a planned manner the extraction and consumption of steam coal and of heating oils. This will also show up in the improvement of the environment. [paragraph continues]

The need to keep in check the high costs connected with opening up new energy sources, which are a great burden on the national economy, requires that attention be concentrated on maximum thriftiness and the consistent fulfillment of state programs oriented toward rationalizing the consumption of fuels, energy, and metals.

Production Sector's Material Consumption Still High [subhead]

Saving metal is also an important factor in reducing the material- and energy-intensiveness of the creation of national income. In this respect good results have been achieved in some places. This is attested to by the fact that, in the 10 years between 1981 and 1990, when we are increasing engineering production, including electrotechnical production by 64 percent, the final consumption of ferrous metals is being reduced by 600,000 metric tons in absolute terms, that is, to 9 million metric tons in 1990. Despite that, consumption still remains high, a matter that, among other things, is obvious when we compare the per-kilogram prices of our engineering exports with the industrially developed countries.

The demand to markedly reduce the consumption of metals in our products is an urgent challenge for our planners, designers, and for workers in research and technical development, who decide on the development of advanced and high-performance machinery and technologies which have a longer productive life and better operational reliability. The intensification of metallurgical production, especially through improving the structure and range and by improving the quality of products while reducing steel production as planned, is also a part of saving metals.

The concept of the Eighth 5-Year Plan counts upon the sector of scientific-technical development participating more markedly in intensification and speedily becoming the preponderant factor of the intensification of the Czechoslovak economy.

The volume of production envisaged on the basis of the solved tasks of the plan for technical development and licenses is being doubled. Compared with economically developed states, however, this is still insufficient. The greatest proportion of production based on applied [realizacni] outputs from solved research tasks is oriented toward the development of a material-technical base for the computerization and application of electronics, toward automation of production processes using industrial robots and handling devices, toward introduction of new technological processes in metallurgy, toward development of small-volume chemistry, and toward utilization of domestic and secondary raw materials.

The control and effectiveness of scientific-technical development are being enhanced and made more efficient through our active participation in the realization of the Comprehensive Program for the Scientific and Technical Progress of the CEMA Member Countries Through the Year 2000.

To a significant degree this cooperation must influence our state goal-oriented and scientific-technical programs, and the comprehensive programs of branches, and must contribute to enhancing the effectiveness of our national economy.

In the Eighth 5-Year Plan the conditions and prerequisites are created for raising the effectiveness of scientitic-technical development, for which Kcs127 billion of investment and noninvestment resources and foreign exchange are earmarked, which constitute 3.9 percent of used [uzity] national income. It is necessary that these resources and sources be used meaningfully and effectively and concentrated on the priorities of the comprehensive program -- on computerization, comprehensive automation, development of nuclear engineering, assimilation of the production of new types of materials, and utilization of biotechnologies -- and on ensuring scientific-technical programs and those projects which have a future and which ensure the gradual attainment of world standards.

Consistent implementation of the role of scientific-technical development requires that it becomes the main component of the conceptual, managerial, and everyday practical activity of ranking personnel and a criterion of their efficiency, and that it bring about a marked effect on the national economy and enterprises, arising from the realization of intensification and innovation programs in individual economic organizations.

Structural Policy [subhead]

The orientation of structural policy, in which industry has an indispensable place, is being subordinated to the need to accelerate socioeconomic development and intensify the economy. This is, above all, a result of the fact that industrial production accounts for almost 80 percent of the national income's increase, and that the average annual dynamism of the national income ensured by industrial branches is 4.5 percent.

Industry cannot fulfill this task without purposefully carrying out structural changes, without expanding participation in the international division of labor. The proportion of specialization and cooperation with the CEMA countries currently exceeds 21 percent of the total exchange. Despite the fact that the results of coordination of the national-economic plans create scope for a further increase in this proportion, it is still insufficient. Within the framework of work on preparing the long-term outlook it is necessary to elaborate the programs of specialization and production cooperation with the individual CEMA countries in such a way that they correspond to the strategy of intensification which our entire community is beginning to implement.

The concept of the Eighth 5-Year Plan counts upon a high dynamism of those production sectors which are the catalysts of technical progress and which require skilled work; these are engineering, with dynamism of 30 percent, including the electrotechnical sector with 64 percent; small-volume chemistry; and pharmaceutical production. These branches account for 70 percent of the increase in industrial production, while the energy- and material-intensive branches account for less than 7 percent. Production within the framework of state, goal-oriented programs will more than double.

Among the particularly advanced types of production in engineering there is the development of those sectors which enhance the technical standard of our production base and ensure a substantial increase in the export potential of the traditionally export-oriented production programs.

These comprise, in particular, turn-key projects, automobiles, tractors, and transportation vehicles in general, printing and textile machinery, chemical and nuclear equipment, machine tools, and farming machinery.

A three-fold growth is envisaged in sectors that comprise the electronics component base and a more than two-fold growth in measuring, laboratory, and computer technology. The fundamental task of these sectors is to ensure enough products with a high technical standard for the computerization of our national economy.

The changes in the structure of what until now were the traditional heavy engineering sectors are also oriented toward higher utilization of the contributions of scientific-technical development. Production of electric locomotives will increase at a more than average pace -- by 58 percent; chemical equipment by 39 percent; and machine tools by 32 percent.

The main catalyst for the growth of the dynamism of development of the chemical sector will be small-volume chemistry that is thrifty with energy and makes the utmost of raw materials, especially the production of organic dyes, pure chemicals, pesticides, and pharmaceuticals, all of which will increase by more than 40 percent. Production of light [svetle] products, especially diesel oil and gasoline, will substantially increase.

Light industry production is to increase 15 percent. Here, the production of high-quality, fashionable, and attractive goods will grow faster. The proportion of products that do not require skilled work which will be substituted by becoming more effectively involved in the international division of labor, will be reduced. The role of the agriculture and food industry, whose fundamental task is to ensure and improve the nutrition of the people while at the same time increasing self-suffiency in food, plays an important part in the national economy. We continue to envisage that the growth of plant production will be faster than that of animal production. Therefore, compared with the Seventh 5-Year Plan, we count upon increasing grain production by an average of 570,000 metric tons annually. This year's lower harvest increases this task in the coming years. Food production must be oriented toward maintaining and further enriching the market, especially with quality goods and by expanding their range in a structure which the population demands.

The results achieved in the preceding 5-year plan affirmed that in the agricultural-food complex there also exists further potential for intensification and for raising the effectiveness and quality of production. Through making use of this potential, and with a production increase of 6.8 percent, in the Eighth 5-Year Plan we envisage a 3.8-percent average annual growth in national income in agriculture.

The construction sector is oriented toward the fulfillment of important tasks in capital investment at home and abroad, toward modernization, reconstruction, repairs, and maintenance. The measures adopted to stabilize the number of workers in the construction sectors, which thus far have had little effect -- the planned number of workers at projects still has not been attained -- are to contribute to the fulfillment of these tasks. We assume that the number of workers in construction enterprises will increase by about 20,000.

With respect to the considerable untapped potential, what applies to other branches applies to an even greater extent to the majority of the construction organizations. Considerable potential still exists, especially in organization and rationalization, in carrying out investment work, in the utilization of production factors, in quality, order, and work discipline, be it in the construction or the nonconstruction organizations. With the active participation of trade union agencies and organizations, responsible personnel must adopt concrete measures aimed at mobilizing this potential with the objective of improving the overall situation in the construction sector, in capital construction, and in particular, must shorten the construction deadlines and reduce the number of unfinished projects. To do this, it is necessary to have the proper machinery and efficient construction technology.

On the basis of these measures and with a consistent allocation of investments in accordance with the principles governing investments, planning commissions, together with the investors' and suppliers' sectors, must substantially reduce the strain in the investment balance sheet.

Cooperation With the USSR Is Vital [subhead]

The targets and tasks of the Eight 5-Year Plan and of the draft bill are immensely exacting with respect to intensification and structural changes. [paragraph continues]

They are difficult in that they are to be realized, in principle, from the economy's internal resources and concurrently with a further rise in the people's standard of living. These momentous tasks can be realized only by involving our economy more profoundly and more effectively in the international division of labor, especially in the integration process of the socialist countries. The results of the coordination of the CEMA countries' national economic plans have positively influenced the concept of the Eighth 5-Year Plan. In the Eighth 5-Year Plan our trade turnover and economic cooperation with these countries represents roughly Kcs1,360 billion, which corresponds to the current annual volume of all our production.

The Soviet Union accounts for the largest part of this turnover -- Kcs832 billion -- a matter that is of vital importance for our economy, because fuels and raw materials account for 75 percent of our imports, whereas 87 percent of our exports to the USSR consist of products of the manufacturing industry.

All CEMA countries have embarked upon the path of intensifying their economies. This gives new quality to the integration process of the socialist countries. The conclusions of the economic summit of CEMA member-states in June 1984, the December 1985 Comprehensive Program for the Scientific and Technical Progress of the CEMA Member Countries Through the Year 2000, the conclusions of the recent 42d CEMA session, and the meeting on the highest level held last November determine the new direction of mutual cooperation and of restructuring our community's economic relations. These are new impetuses and stimuli of which we must make full use, because they unite the interests of the effective development of the community of the CEMA countries as a whole with the interests of the individual national economies.

The centerpiece of the socialist countries' cooperation is being shifted from the interbranch exchange to the intrabranch exchange and to the comprehensiveness of cooperation -- beginning with scientific-technical development, via production, all the way to ensuring the realization of production. It is correct that stress is being put on a higher technical standard, on the quality of mutually delivered production, and on the expansion of production specialization and cooperation.

New Quality of Integration [subhead]

The forms of mutual cooperation are gradually changing due to the shift toward establishing direct relations between enterprises and toward setting up joint ventures. From this point of view, it can be seen that the 24-percent dynamism of the planned turnover of goods exchange is inadequate.

Vis-a-vis the nonsocialist countries, the Eighth 5-Year Plan is counting on a 15-percent growth in turnover, and on a substantial change occurring in the structure of exports. The exports of the manufacturing industry, particularly of engineering, are being markedly increased -- by 47 percent. In contrast, exports of raw materials are to be reduced by 14 percent. The need to reduce exports of raw materials, to grant new credits connected with exports and the long-term ensurance of fuels and raw materials, and to continue paying off loans taken earlier in freely convertible currencies requires maximal thriftiness and valorization of imports.

It is also true for us, and to an even greater extent, that only an economy which adapts itself in time to trends in world scientific-technical development and which concentrates its research potential and advanced technologies on a selected range of products which have a good chance of a very good and a more lasting position on world markets will profit from having joined the international division of labor.

For this reason, the necessity to narrow down the range produced comes particularly urgently to the fore in the new conditions of the world economy and at the stage of the new quality in socialist economic integration.

The exporter-producer can no longer be seen solely as a producer of foreign exchange.

He must become a factor in effectively shaping a modern production structure through specializing more profoundly in international economic relations. Therefore, in order to support the effective modernization of production and to enhance its technical standard, and in order to expand mutually advantageous cooperation between our enterprises and companies in the nonsocialist countries, we count upon a more extensive utilization of cooperation and license policy.

Technical Investment Priority [subhead]

The enforcement of all-round intensification through scientific-technical progress, structural changes, and through the new character of our participation in the international division of labor qualitatively changes the demands on the orientation and structure of investment development in the Eighth 5-Year Plan.

The priority need for the technical modernization of our production base is becoming the fundamental line of an active investment policy. It is expressed by increasing the volume of machinery and equipment by 35 percent compared with the Seventh 5-Year Plan, and by reducing the volume of construction work by 6 percent.

It is know that capital construction is an old problem of our national economy for a number of subjective and objective reasons. Planning agencies are subject to immense pressure by demands for investments on the part of ministries and regional national committees, and these, in turn, are subject to pressure from economic production units, enterprises, and national committees at all levels. This, for example, is attested to by the fact that in the drafts of economic plans for the Eighth 5-Year Plan, investors demanded -- at variance with directives -- an additional Kcs200 billion for newly started capital construction projects, that is, almost 60 percent more.

The majority of the investments demanded continue to have an extensive character. When assessing the effectiveness of capital construction we must consistently insist that, in terms of their technical-economic standard, the new investments must be comparable to similar capacities in the world at the time they go into operation. The criteria of national economic effectiveness and rapid amortization of expended resources must be strictly observed. Investments which do not fulfill these criteria, and which are not necessary from the social point of view, must not be permitted.

Capital contruction is the weakest spot in the effective functioning of our national economy. The fourth session of the CPCZ Central Committee criticized the poor state of affairs in capital construction and demanded that long lasting shortcomings be comprehensively resolved.

The overwhelming part of investments will go to the basic branches of the national economy and will be used to strengthen structural changes. The investment resources earmarked for the production sphere are destined, in particular, for the development of the electrotechnical sector, of small-volume chemistry, and of selected branches of the engineering, consumer, and food industries, for structural changes within the fuel-energy complex; and for modernizing the metallurgy sector. [paragraph continues]

In the nonproduction sphere, preference is given to the needs of ecology, health care, and comprehensive housing construction. Compared with the Seventh 5-Year Plan, investments in the electrotechnical industry are being doubled, in the chemical industry they are being increased by almost 40 percent, in transportation and communications by 17 percent, in the food industry by more than 25 percent, and in nuclear engineering by 72.5 percent.

In addition, to investments allocated to them by the state plan, using returnable foreign exchange credit, economic organizations can make use of about Kcs33 billion for investment, for foreign exchange and financial incentives [na devizovou a financni zainteresovanost], and for purchasing special-purpose machines.

The tasks in phasing out and liquidating worn out and written-off capital assets are part of the effort to raise the technical standard of the production base. Compared with the seventh 5-Year Plan, the extent of these phased out machinery capital assets is to increase industry by 64 percent; construction by 53 percent; agricutlure by 93 percent; and engineering by more than twofold. Despite this, the phasing out should be more extensive and should be expanded to include capital assets that are highly effective from an economic point of view, especially entire obsolescent production lines.

The Growth in Living Standards [subhead]

Resources which have to be acquired by accelerating the creation of the national income form the basis of the increased standard of living. Personal consumption is to increase by more than twofold when compared with that of the Seventh 5-Year Plan, and social consumption by 22 percent.

People's incomes, which will increase approximately 15 percent in 5 years, will be the decisive basis for the increased standard of living. Income from wages accounts for the main proportion.

It will be necessary to fully push through the principle that honest work is the sole source both for the creation of values for society, and for an improved standard of living for each of us. This is why measures will be speedily introduced in the Eighth 5-Year Plan which will link the level of wages more closely with the work and the economic results achieved.

In remuneration for work, the aspects of long-term assessment of productivity, quality and, in the case of ranking personnel, their creative approach in particular, will be strengthened.

It is necessary to overcome the surviving egalitarianism in remuneration, which usually has subjective roots. In this, the brigade forms of organization of work and remuneration play an important role. Only in this way, can we achieve closer harmony between the growth of wages and that of labor productivity, which is the fundamental prerequisite for the equilibrium of the domestic market.

It will be necessary to achieve a situation in which economically justified incomes and wages on the one hand, are balanced by a well supplied domestic market with a broad range of goods and quality services on the other. Such a domestic market and services are important stimuli for an interest in wages and thus also in better work results. Increasing the quality, the necessary standard, the range, and the flexibility of supplies to the domestic market is a prerequisite for this.

In the course of the 5-year plan, retail trade turnover will increase by more than 14 percent, while its structure will change through increasing the proportion of sales of industrial goods.

In the sale of foodstuffs, further qualitative changes will be carried out, aimed at asserting the demands of healthy [racionalni] nutrition. This will show up in the stagnation of the consumption of fats, cereal products, and sugar. On the other hand, consumption of fruit and vegetables, tropical fruit, nonalcoholic drinks, and delicacies will increase. The per-capita consumption of meat will increase by 2.5 kg to 88.5 kg in the 5-year period.

Sales of new and innovated types of durable industrial goods will markedly increase.

We expect that the average annual sales of passenger automobiles will reach 120-140,000; color television sets, 180-230,000; refrigerators and deep freezers, 480-600,000. We envisage bringing onto the market compact discs and compact disc players, videorecorders, personal computers, and other consumer electronic products.

Cooperation Between Trade and Production [subhead]

It is necessary to deepen and make more flexible the collaboration between trade and production, to improve the performance of the trade sector and the conditions for its activity, and to consistently respect the customers' demands. Production and services must offer new and qualitatively better products and services, and thus revive customers' interest.

Parallel with the policy stressing the dependence of the growth of personal consumption on one's contribution to work, the Eighth 5-Year Plan envisages a further perfection of the existing broadly-based system of social measures.

Increasing resources to supply the nonproduction sphere with material [materialni vybaveni], which will represent a 25-percent increase in the course of the Eighth 5-Year Plan, is a part of the care for increasing and improving the standard of living. Investments in the tertiary sphere are being increased by Kcs29 billion, to a total of Kcs412 billion. In the sphere of health care, material expenditure is being increased by Kcs6.2 billion, that is, by more than 41 percent; in education and culture, by Kcs3.5 billion, that is, by 21 percent; in services and housing economy, by Kcs4.4 billion, that is, by 29 percent.

The earmarked resources and the planned higher number of workers [pracovnici] must be deployed more meaningfully, and far more effectively, in order to improve the services provided. The importance we attach to the development of the tertiary sphere is also attested to by the fact that the number of workers here will increase by 144,000 in the course of the 5-year plan. For example, the number of employees in health care and social security will increase by 35,000; in education, by 19,000; and in domestic trade and public catering, by 24,000.

To ensure the conclusions of the 17th CPCZ Congress, the Eighth 5-Year Plan contains reserves for some urgent social measures. Their gradual realization depends on the resources created.

In accordance with the concept of housing policy for the Eighth 5-Year Plan, approved by the Presidium of the CPCZ Central Committee and the CSSR Government, we are ensuring the construction of 482,000 apartments and the modernization of 30,000 apartments. In this we must consistently ensure comprehensiveness of housing construction, which is often ignored in practice.

Considerable resources are being devoted to protection and improvement of the environment, which is the integral part of our society's investment in generally enhancing the standard of living and care for man. In addition to the Kcs17 billion earmarked for independent investment actions of an ecological nature -- an amount which has been doubled compared with the Seventh 5-Year Plan -- in the Eighth 5-Year Plan considerable resources are being expended on preventing the environment from deteriorating through the fault of further new industrial projects.

The role of national committees in ensuring comprehensive social and economic development on territories which they administer must be energetically enhanced. They must consistently implement their election programs and thus contribute to satisfying the legitimate needs and interests of citizens, and to resolving their everyday problems.

We have allocated more than Kcs22 billion to support citizens' initiatives and to implement election programs in the action "Z" [community self-help]. These resources must be used meaningfully, especially for actions which will contribute to improving the environment and to solving the urgent economic and social needs of constituencies.

Improving Management and Planning [subhead]

The exacting problem of the Eighth 5-Year Plan is not devoid of risks and problems. At present, ministries are discussing the economic plans of economic production units, and are to confirm them by the end of the year. Inadequate quality, unresolved problems, the undemanding programs of the intensification plans of some economic production units and enterprises constitute the main risk to fulfilling the exacting tasks of the state plan and the bill on the Eighth 5-Year Plan.

What is involved, in particular, is ensuring the planned reduction of what is consumed by production; reducing the number of unfinished capital construction projects and shortening construction deadlines; maintaining the planned level and structure of inventories, profitable exports to the nonsocialist countries, grain production; and fulfilling the tasks as regards the growth of social labor productivity.

There are spheres on which we must concentrate the full attention of the managing agencies, so that they won't weaken the realistic nature of the tasks of the Eighth 5-Year Plan. Concerning these, Comrade Gustav Husak said very clearly at the fourth session of the CPCZ Central Committee: "Regarding their realistic nature, all comparisons of the raw material-, energy-, and material-, and investment-intensiveness of our economy with the industrially developed countries show that we are working with considerable reserves. This also applies to the level of labor productivity and of production quality. Utilizing these reserves is the prerequisite for a turn in the intensification of our economy. From the viewpoint of needs, this turn is necessary: From the viewpoint of possibilities, it is realistic."

Therefore, the overseeing agencies must very responsibly check the standard and quality of the submitted economic plans and approve only those which are in full harmony with the line of the 17th congress, with the tasks determined in the state 5-year plan, and contained in the draft bill.

In order to fulfill the targets and plans of the Eighth 5-Year Plan and the draft bill, it is necessary to creatively utilize and implement the existing rules of management, planning, and financial-economic instruments, as well as all new measures which will be implemented as of next year and in the course of the Eighth 5-Year Plan.

The political report of the 17th CPCZ Congress determined the need to "systematically perfect the system of planning and the management of the economy, and gradually restructure the economic mechanism."

Restructuring the Economic Mechanism [subhead]

The fourth session of the CPCZ Central Committee discussed the elaboration of this task and determined the further course. Restructuring the economic mechanism with the orientation toward mastering scientific-technical progress, structurally changing and technical retooling our production base, and meaningfully and effectively joining in the international division of labor are some of the vital prerequisites and conditions for the economy to make a transition to an intensive type of development. In this connection, beginning next year, the Comprehensive Experiment Aimed at Increasing the Independence and Accountability of Economic Organizations For Effective Development will be carried out in selected organizations.

The development and fulfillment of the state plan this year, when it is seen that the turn toward comprehensive intensification of the national economy is exceptionally difficult and complex, again convinces us of the urgency of this course.

The fundamental trends connected with entering the 5-Year Plan show that development is very differentiated and in various spheres of the economy it is imbalanced. On the one hand, it is necesary to positively assess the continuing higher dynamism of economic developmenmt which has begun in the last years of the Seventh 5-Year Plan and which is seen mainly in the growth of the overall volume of production and of the standard of living. On the other hand, however, the structure of production and its utilization does not correspond to the, from the social viewpoint, desirable and planned proportions. And the fact that the fulfillment of qualitative indicators lags far behind plan is especially serious.

To put it concisely: The process of intensification is lagging behind the targets of the 17th CPCZ Congress.

Shortcomings in fulfilling this year's plan increase the exactingness of the tasks of the 1987 state plan, which puts much greater stress than was the case with this year's plan on deepening the process of intensifying the economy and on further enhancing the effectiveness of its development.

The fourth session of the CPCZ Central Committee discussed these issues openly and critically, and adopted a resolution whose consistent fulfillment will be the guarantee that the results of 1987 will be in full harmony with the conclusions of the 17th CPCZ congress.

Activation of the Human Factor [subhead]

The successful realization of all plans in the economic and social sphere, in the system of management and planning, and in the economic mechanism is unthinkable without the activation of the human factor. Great responsibility rests on the shoulders of managing cadres, who must make profoundly competent decisions and win over their fellow workers and all working people to fulfill tasks with initiative.

An active approach by economic management, together with the agencies of the Revolutionary Trade Union Movement, toward organizing work initiative aimed at concrete fulfillment of the Prague Appeal and the appeal of the Central Trade Union Council to exceed planned labor productivity by 1 percent, reduce material costs by 0.5 percent, and improve the quality of manufactured production with the help of counterplanning, will be of significant assistance when it comes to fulfilling the exacting tasks.

The concept and the legal make up of the draft bill on the Eighth 5-Year Plan corresponds with the constitutional and other legal norms related to the bill on the 5-Year Plan, especially to Sections [clanek] 10 and 36 of the Constitutional Bill on Czechoslovak Federation and Article 7 of Bill on National Economic Planning No 145/1970.

By adopting the submitted draft bill, the Federal Assembly will approve the basic objectives, tasks, and conditions of realizing economic and social development up to the year 1990.

The draft bill ensures the objectives and targets determined in the Programmatic Statement of the CSSR Government at the second joint meeting of the Federal Assembly's Chamber of the People and the Chamber of Nations.

The bill entrusts the governments, central agencies of the state administration, agencies of economic management, and socialist organizations with the task of concretizing the fundamental targets and tasks contained in it, and elaborating in all contexts the necessary procedures, solutions, and measures to consistently ensure the bill.

Permit me to thank you for your interest, your active approach, suggestions, and recommendations, especially regarding the preparation and discussion of the submitted draft bill on the Eighth 5-Year Plan. On behalf of the CSSR, I want to assure you that in carrying out its functions, the government will implement the necessary measures and create conditions for the bill's successful fulfillment.

In the name of the CSSR, I recommend that the Federal Assembly approve the submitted draft of the bill on the Eighth 5-Year Plan.

PRAGUE COMMITTEE ELECTS NEW PARTY OFFICIAL

AU191549 Prague VECERNI PRAHA in Czech 15 Dec 86 p 2

[Summary] At its plenary meeting in Prague on 11 December, the Prague CPCZ City Committee elected Miroslav Stepan secretary and member of the Secretariat of the Prague CPCZ City Committee.

STOPH, SINDERMANN ATTEND 17 DEC VERNER FUNERAL

LD182106 East Berlin ADN International Service in German 1552 GMT 17 Dec 86

[Text] Berlin, 17 Dec (ADN) -- At a funeral ceremony of the SED Central Committee and the GDR State Council today the party, state and people said farewell to Paul Verner, member of the SED Central Committee and of the GDR State Council. The life of struggle of the Communist, who from his earliest youth fought steadfastly and in full awareness for the noble goals of the party of the working class, for socialism on German soil and for peace and international understanding in the world, ended on 12 December.

Together with the widow and other relatives, Erich Honecker, general secretary of the SED Central Committee and chairman of the GDR State Council, and other party and state leaders commemorated the loyal comrade-in-arms. Also taking part in the ceremony were Herbet Mies, chairman of the DKP; and Dietmar Ahrens, deputy chairman of the SEW. Among the mourners were representatives of the churches, such as Manfred Stolpe, deputy chairman of the Conference of Evangelical Church leaders in the GDR.

The funeral oration was given by Horst Dohlus, member of the Politburo and secretary of the SED Central Committee. After this the urn with the ashes of the departed was interred in the Memorial to the Socialists in Berlin-Friedrichsfelde with military honors. It has been given its place in the wall of the memorial to the outstanding revolutionary fighters of the German and the international workers movement.

The participants in the funeral ceremony in the Central Committee building formed themselves into a long procession outside the memorial to accompany Paul Verner on his last journey. At this place, rich in tradition, the pylons were lit and guards of honor took their positions.

To the strains of the march "Immortal Victims" the mourners moved from the gate through the grove of honor. Together with the widow and the relatives, Erich Honecker, Willi Stoph, Horst Sindermann and the other party and state leaders and mourners walked through a guard of honor of the Felik Dzerzhinskiy Guards Regiment to the cinerarium, where a guard of honor presented arms. Soldiers were in the front carrying wreaths. On the red ribbon of the Central Committee wreath were the words: "To the unyielding fighter for the cause of peace and socialism, our Comrade Paul Verner."

NATIONAL GROWTH STATISTICS FOR FIRST 11 MONTHS

AU111125 East Berlin NEUES DEUTSCHLAND in German 6-7 Dec 86 p 1

[Text] Berlin (ADN) -- Due to outstanding performances of the working people, the high performance increase in the national economy was continued in November in implementing the course of the 11th SED Congress. According to preliminary statistics, the national income had increased by 4.3 percent by the end of November.

In industry:

-- net production increased by 8.5 percent
-- labor productivity by 8.8 percent
and
-- industrial goods production by 4.3 percent.
-- Costs were reduced by 1.8 percent.

In implementing the economic strategy of the 11th party congress, the broad application of key technologies is continuing at a high pace. By the end of November, 9,740 personal and office computers had been produced in addition to the plan. Compared with the same period last year, the growth rate is 148 percent. The production of optical fiber cables increased by 448 percent. The production of monolithic integrated circuits increased by 28 percent and of optoelectronic semiconductor components by 20 percent.

In the construction sector, net production increased by 6.1 percent and labor productivity by 6.9 percent. Costs were reduced by 1.8 percent. By the end of November, 193,153 apartments were built and modernized. In the capital of Berlin, 29,064 apartments were completed.

In agriculture, the state procurement of slaughter animals increased by 2.1 percent, the overfulfillment of the plan was 55.4 metric kilotons. The state procurement of milk increased by 3.7 percent and of eggs by 1.1 percent. The plan overfulfillment for milk was 482.8 metric kilotons and for eggs, 56.2 million eggs. In the foodstuffs industry and agricultural technology, net production increased by 7.0 percent.

Compared with the same period last year, retail trade turnover increased by 4.2 percent, including industrial goods by 6.0 percent.

In the individual sectors of industry, the following growth in net production and labor productivity and the following reduction in prime costs per M100 of goods production were achieved by the end of November:

	Net Production	Labor Productivity	Reduction in Prime Costs
	in percent		
Coal and energy	6.6	5.8	2.4
Ore-mining, metallurgy, and potash	10.3	10.7	2.1
Chemical industry	5.2	5.9	0.4
Electrotechnology/electronics	13.9	14.1	3.5
Heavy engineering and installation construction	9.2	9.5	2.4
Machine tool and processing machinery building	11.7	12.1	3.4
Light industry	5.1	6.3	0.7
Glass and ceramics industry	7.3	7.8	2.0
Bezirk-administered industry and food stuff industry	8.5	8.7	1.5
Geology	9.6	7.3	3.7

In the bezirk-administered industry, the following growth in net production and production of finished goods for the people and the following reduction in prime costs per M100 of goods production were achieved:

	Net Production	Finished Products for the People	Reduction in Prime Costs
	in percent		
East Berlin	13.9	6.3	2.6
Cottbus	10.2	7.2	1.7
Dresden	10.9	5.2	2.3
Erfurt	12.5	6.1	2.5
Frankfurt	8.4	9.6	2.1
Gera	11.8	4.9	2.5
Halle	9.5	5.8	1.8
Karl-Marx-Stadt	8.2	4.8	1.9
Leipzig	9.1	2.9	2.1
Magdeburg	12.2	4.6	2.3
Neubrandenburg	7.9	3.6	0.8
Potsdam	11.8	4.1	2.0
Rostock	7.9	6.8	1.2
Schwerin	12.0	6.6	2.2
Suhl	11.0	5.8	2.3

BRIEFS

LDPD BEZIRK CHAIRMEN -- The besirk committees of the Liberal Democratic Party of Germany (LDPD), which were newly elected on 13 December at the LDPD bezirk delegates conferences for Cottbus, Frankfurt, Karl-Marx-Stadt, Magdeburg, and Suhl, appointed the members of their secretariats and elected the following chairmen: Cottbus -- Johannes Kney (reelected); Frankfurt -- Guenter Steinhoefel (reelected); Karl-Marx-Stadt -- Christian Renatus; Magdeburg -- Peter Moreth (reelected); Suhl -- Peter Geier. [Summary] [East Berlin DER MORGEN in German 15 Dec 86 p 3 AU]

BUCHAREST RCP DELEGATION -- On 4 December Guenter Schabowski, first secretary of the Berlin Bezirk leadership and member of the Politburo and secretary of the SED Central Committee, received a delegation of the Bucharest Municipal Committee of the RCP headed by Nicolae Croituro, RCP Central Committee candidate member and secretary of the municipal committee. Schabowski reported on the tasks and experiences of the Berlin party organization and stressed the political responsibility of the Berlin citizens. They agreed to further deepen the cooperation between Berlin and Bucharest as well as the exchange of experiences between the party organizations. [Summary] [East Berlin NEUES DEUTSCHLAND in German 5 Dec 86 p 8 AU]

PRK HEALTH COOPERATION PLAN -- East Berlin (ADN) -- On 9 December Health Ministers Ludwig Mecklinger and Yit Kimseng signed a plan for cooperation in the health sector between the GDR and the PPRK for the 1987-89 period. The plan envisages an intensification in the coming years of the exchange of experiences in the areas of management, planning, and organization in the health sector, in pharmaceuticals, and in hygienics and the implementation of measures for the qualification of leading cadres in the PRK health sector. In addition, a protocol on sending GDR doctors to the PRK for medical aid was agreed upon. The GDR will continue to support the development of the PRK health sector by providing advanced training to Cambodian doctors and pharmacists. [Text] [East Berlin NEUES DEUTSCHLAND in German 10 Dec 86 p 2 AU]

OFFICIAL COMMENTS ON ENERGY SUPPLY PLANS

AU181524 Budapest MAGYAR HIRLAP in Hungarian 13 Dec 86 p 5

[Interview given by Gyozo Wiegand, director of the State Office for Energy Supervision, to Maria Lakatos: "We Will Have a Sufficient Supply for Heating -- Steady Power Supply Expected -- Concerning the Time of Completing the Barrage System"; date and place not given]

[Excerpts] [Passage omitted] [Lakatos] Could the 1984-85 energy restrictions be repeated this winter?

[Wiegand] [Passage omitted] If the average daily temperature does not go below minus 12 degrees celsius, I do not think we will have problems. The gas supply is steady, and our underground natural gas reserves are twice what we had in 1984, plus the fact that the coal mining sector has already delivered 260,000 metric tons more coal to TUZEP [Fuel and Building Material Trade Enterprise] than was agreed upon. [passage omitted]

[Lakatos] Nowadays we do not talk much about the lack of oil, but the electric power supply appears to be much more uncertain than in any of the previous years. This phenomenon is extremely unfavorable for us, because Hungary is the only country in the world that imports 29 percent of its total electric power supply. Thus, the economy reacts very sensitively to any disturbances in the CEMA joint power system...

Small Disturbances [subhead]

[Wiegand] I do not think there is any need for such concern. Let us look at the figures. Due to the Chernobyl catastrophe, we received a total of 6.5 percent less electric power. On the other hand, this has been balanced by additional gas supply, which made up for the shortcoming. Thus, calculating it in thermal values, we have no disadvantages. Here I am thinking first of the third block of the Paks Nuclear Power Station, which is now working at full capacity, and of the fact that, so far, the operational conditions of the first two blocks of the nuclear power station are among the first, even by an international standard. In any case, as I have already said, we have far greater reserves than hitherto and small disturbances will cause no problems.

[Lakatos] In his interview to RUDE PRAVO, Josef Haman, alternate member of the CPCZ Central Committee Presidium, said that there have already been disturbances this autumn. How did they affect Hungary?

[Wiegand] In September we knew in advance that there would be less electric power due to mains disturbances and maintenance work; thus, we were prepared. Accordingly, we stopped production in about 200 factories in line with a prearranged plan, but for not more than 2 hours. Thus, this cannot be compared to the stoppages due to the serious gas restrictions of 1984-85. By the way, we have modernized the restriction system. We have included new consumers from the industrial, agricultural, and building-materials sectors, and we made preparations in the event that we have to make up for a possible loss of power as fast as possible.

[Lakatos] If the CSSR provisionally leaves the system, would this affect Hungary's power supply?

[Wiegand] We are directly connected to the Soviet Union, but of course a system is less reliable if a member leaves it, even for a short period. In any case, the CSSR basically covers its electric power demands from its own production, and thus the proportion of its imports is much smaller than ours.

[Lakatos] Are we focusing more on other energy sources for our long-term power supply? Is it possible that we will return again?

Restraint In the Long Term [subhead]

[Wiegand] I do not believe this. It is extremely expensive to build power stations, and building a new nuclear power station that would replace our present electric power imports would cost almost 200 billion forints. In the Seventh 5-Year Plan we stipulated that all energy sources must be saved equally. We are not in favor of the idea of replacing one energy source with another, because for the national economy the various energy sources have become almost equal in value. This, of course, does not refer to biomass, geothermal energy, etc. We consider changing over to these resources to be a savings measure. According to our calculations, consumption will shift or change in favor of natural gas only to a certain extent. If there is any particular energy source where we must emphasize the saving measures, then I would say it is electric power. At the moment considerable reserves are at our disposal, but initially the supply situation will become tense at the beginning of the nineties, until the Bos-Nagymaros barrage system and the two new blocks in Paks are ready. We are already conducting studies on how we can pull through that period. In any case, it is necessary to reduce the growth rate of electric power consumption, even in the long term. This energy should not, if possible, be used for heating and heat output.

DRAFT BUDGET CRITICIZES 1986 DEVELOPMENT

LD191239 Budapest MTI in English 1024 GMT 19 Dec 86

[Text] Budapest, December 19 (MTI) -- The report on the proposed budget presented to parliament states that the development of the Hungarian national economy was unsatisfactory in 1986. The total national economic income increased, on current prices, by 5 per cent compared to the planned 7.5 per cent. The terms of hard-currency trade deteriorated to a greater extent than expected, and consumer prices rose at a higher rate than planned. Personal consumption grew by about 2.5 per cent, instead of 1 per cent as foreseen. The investment expenditures were in excess of the target, and the real incomes, consumption and wage payments showed a greater increase than planned.

The 1986 gains of companies and banks will probably amount to more than 240,000 million forints. Industrial profits rose by a higher than average 8.2 per cent, while the agricultural gains fell short of last year's level.

State revenues lagged behind plan, while expenditures were 3 per cent higher than scheduled. The deterioration of the budget situation was mainly due to a drop in company payments.

The 1987 national economic plan calls for an at least 2 per cent growth in the national income, calculated on comparative prices, in order to stabilize living standards and slightly improve living conditions. Gross national economic income (net national product) is planned to go up by 8-8.5 per cent on current prices. The main items of the state budget: Revenues -- 606,900 million forints, expenditures -- 650,700 million forints, deficit -- 43,800 million forints.

Dealing with the changing economic regulators, the report states that wage tax allowances are to decrease in a number of areas, income tax allowances will be granted in fewer places, while companies, factories and institutions in certain economic branches are to receive higher profit tax benefits than before. The total national economic gains are estimated to add up to 270,000 million forints.

Expenditures stemming from international financial relations will be on the rise. The repayment of World Bank loans taken up formerly will be started, and the budget spending related to the paying back of loans and interests payable after state debts will be increasing. The rise in the former case will be due to the beginning of the repayment of state bonds, and in the latter to the use of more credits needed to counter the bigger budget deficit and to the taking up of other loans.

The envisaged investment expenditure is 215,000-219,000 million forints (current price), 5 per cent more than in 1986. No new capital project is to be launched next year. construction of the Mecsek ore mine, the Ferihegy Airport and the Budapest underground will be continued, a special fund raised to finance the Gabcikovo-Nagymaros barrage system. Greater support will be given to the telecommunications network, water projects, the electric energy system, hydrocarbon research and development, transport, health, scientific research, house-building, education and culture.

Social insurance is estimated to absorb 152,000 million forints, and the average retirement pay will be 7.2 per cent higher than in 1986. The expenditure on child-care benefit will go up by 1,000 million forints, with the monthly sum per person rising from 2,850 forints to over 3,000 and the number of recipients increasing by 22,000. A total of 47,500 million forints are assigned for the health sector where several major investment and reconstruction projects are to be carried out. Cardiologic attendance will be extended, the number of oncologic screenings raised, conditions created for the treatment of people taking narcotics and 36 million forints reserved for the continuation of the AIDS programme.

A sum of 70,500 million forints will be spent on education, culture and sports, mainly the development of secondary education. Scientific research and technical development will be granted 8,400 million forints. The expenditures of local councils are estimated to total 166,000 million forints in value.

The budget report calls for a more effective utilization of resources in the interest of stepping up economic development and improving the economic equilibrium.

POLITBURO'S SZABO ADDRESSES PPF MEETING

AU171002 Budapest MAGYAR NEMZET in Hungarian 9 Dec 86 p 1

[Unattributed report on speech by MSZMP Politburo Member Istvan Szabo, chairman of the National Council of Producer Cooperatives, at PPF National Council session in Parliament in Budapest on 8 December]

[Text] MSZMP Politburo Member Istvan Szabo also took part in the PPF National Council meeting and took the floor. After conveying the Central Committee greetings to the participants, Szabo analyzed, in his address, the current problems of our economic policy and stressed the need for a realistic evaluation of the situation.

"Analyzing the economic situation of our country, we must be realistically aware of the fact that we have achieved considerable results in the period from 1979 to 1984. [paragraph continues]

Therefore, our efforts have not been in vain and the fact that we had a balance surplus these years and that we were also be able to redeem our stock of credits also prove this. Last year and the current year, however, have brought us losses and, no doubt, one of the reasons for this loss is the unfavorable foreign market conditions. As an example, it is enough to mention the fact that the price of one of our main export articles, corn, fell by half in the foreign markets in this period. I could continue to cite examples but this is no doubt convincing enough. The Central Committee decision clearly revealed these difficulties...There is nothing wrong if there is a debate on this decision but there is a fundamental condition for this, namely the need for this debate to contribute to a solution and to renewal. At the Central Committee meeting we thought that, in spite of the economic difficulties of the past 2 years, there was no need to reformulate the decisions of the 13th MSZMP Congress and the goals of the current plan period. We thought that this should be the standard for society, and this was approved by both the Politburo and the Central Committee. Only 20 months have passed since the Congress and not even 1 year of the Seventh 5-Year-Plan period has passed, and therefore, there is no justification for revising the goals formulated in these documents. All these, however, do not mean that we do not analyze constantly the economic situation of the country and, as mentioned also in the decision, there is a more detailed, and more thorough, situation analysis underway than hitherto and the Central Committee will again discuss the conclusions of this analysis at the beginning of next year. All this is because we want to realistically face our current economic problems. This desire is also reflected in the Central Committee decision, which does not irresponsibly promise an improvement in the standard of living; this shows that the Central Committee is also aware of the importance of improving the system of interests, the urgent need to improve the efficiency of work, and the task of better appreciating the intelligentsia. We do not want, therefore, to minimize our problems and we need a realistic evaluation of our situation precisely in order to work out a long-term strategy."

MINISTER IMRE MIKLOS CITED ON CHURCH-STATE TIES

PM180920 Milan L'UNITA in Italian 9 Dec 86 p 4

[Interview with Minister-Chairman of Hungarian State Office of Religious Affairs Imre Miklos by Alceste Santini in Budapest; date not given]

[Text] Rome -- In a historical assessment of the difficult and dramatic years of conflict between the state and the Catholic Church, and of the swing toward cooperation following the tragedy of 1956, Monsignor Joszef Cserhati, secretary of the Hungarian Catholic Bench of Bishops, told us: "We proceeded from an erroneous and blameworthy unrealistic attitude. According to those communist leaders, the church's years were numbered because once people's material needs were satisfied they would no longer need prayer or ethical and spiritual values. As far as we were concerned, the belief was that a socialist state would be incapable of establishing itself; it was inconceivable that socialism could have an international future. Well neither of the two expectations materialized. Here you have Hungarian society, composed of believers and nonbelievers, who have gradually begun over the past 30 years to seek more and more common ground for cooperation to help their country progress."

This is how I began the conversation when I met in Belgrade a while ago with Minister-Chairman of the Hungarian State Office of Religious Affairs Imre Miklos, proceeding precisely from these remarks by the Bishop of Pecs, Monsignor Cserhati, and I noticed that Miklos was nodding and openly declaring his agreement.

"You see, the dogmatic, splittist mentality of the political leadership of the time, which was later responsible for what happened in October 1956, did not believe that the church -- and by this I mean both its leaders and the faithful -- could cooperate, beyond matters of ideological principles, in building a socialist society. True, under Cardinal Joszef Mindszenty's leadership, after 1945 the church did oppose the agrarian reform and education reform, which had in fact for centuries been the two major aspirations of the peasants and the less prosperous strata of Hungarian society. But it is also true that accords were drawn up between 1948 and 1950 between the government and the various churches, despite many difficulties. It was necessary not only to continue patiently and flexibly along that path of negotiation but also to work to make effective the policy of alliances that has yielded many results over the past 30 years."

[Santini] Did the events of 1956, expressed on 23 October as a great democratic movement of regeneration, also defeat the stubborn and extreme stances of Cardinal Mindszenty and of those who at the time brandished them as a banner, as well as the splittist, stubborn, and criminal policy of the group composed of Rakosi-gero, Hegedus, and their notorious allies?

[Miklos] Certainly. You see, you were right to speak in terms of a great democratic movement of regeneration. Well, how can one reconcile this with the innovative elements reflected in Cardinal Mindszenty's 3 November radio speech? He demanded not only the church's old privileges but also the restoration of the old social system. Similar stances were also adopted by former Protestant bishop Laszlo Ravasz and former Evangelical bishop Lajos Ordass, both later suspended by their respective churches. But those stances had a negative impact -- to say the least -- on those tragic 10 days in October 1956, partly because behind those religious leaders there were men who used weapons with objectives certainly different from those who wanted reforms in the direction of a democratic and human form of socialism. If we do not examine these matters too we cannot understand 1956 as a whole, nor can we understand why those events prompted everyone to start afresh.

[Santini] To return to Monsignor Cserhati's observations and analysis, could you sum up the main points of the new political options that made it possible to start afresh and to write the new chapter in church-state relations over the past 30 years?

[Miklos] The mainstays of this policy of dialogue and alliance were defined by the MSZMP Central Committee in June 1958 on the basis of a real analysis, and they are still valid. First, it was acknowledged that churches will exist for a long time even in a socialist society. This means that neither the state nor the churches can benefit from a confrontation, if it is true that both sides serve the same people and country, albeit in different roles. This cooperation, inspired by clear principles and the common good, benefits both a socialist society and socialism internationally, though those who want to use religion against the state's interests must still be combated.

[Santini] But should this policy not also offer the church vital scope for performing its specific activity?

[Miklos] Certainly. I can say that the experience of the past 3 decades shows that the churches not only perform their special activities freely but that they have representatives in parliament, local government, municipal councils, and the various bodies of the Patriotic People's Front. The churches are committed to peace but also to helping enrich ethical values within the family and in the work place. Even the symposium between Catholics and Marxists in Budapest on 8-10 October on "Soviet and Ethical Values" highlighted the vast opportunities for cooperation and also our willingness to broaden the path of dialogue.

[Santini] June saw the death of Cardinal Laszlo Lekai, hailed by the Hungarian press as a "protagonist" of this policy of dialogue and as a "great patriot." Will anything change after him?

[Miklos] The past 3 decades have taught us that our policy of alliance is not a passing phenomenon but a lasting element of our socialist system, because the present and future for which we are working belong to us all. Of course, as you know, it is up to the pope to appoint Cardinal Lekai's successor. As far as we are concerned, I can say that the accord that the Hungarian Government signed with the Vatican in 1964 and that marked the resumption of our relations, has produced positive results. The Hungarian Catholic episcopate has become complete again and church-state relations have become characterized by a new style, partly because both sides have given priority to a wide-reaching and long-term policy. I believe that we should continue along this path in the future, extending it and enriching it. [passage omitted]

REPORTAGE ON CHAIRMAN LAZAR'S MOSCOW VISIT

For Soviet and Hungarian accounts of the Moscow visit of Political Committee member and Chairman of the Council of Ministers Gyorgy Lazar, see the Eastern Europe section of the 23 December Soviet Union DAILY REPORT and subsequent issues.

MTI VIEWS 'POWERFUL' BOOST IN USSR TIES

LD171956 Budapest MTI in English 1553 GMT 17 Dec 86

[Text] Budapest, December 17 (MTI) -- This year there has been a powerful enlivenment in high-level Hungarian-Soviet relations. In February, a Hungarian delegation led by Janos Kadar attended the 27th Congress of the Communist Party of the Soviet Union, in June, Mikhail Gorbachev visited Hungary, and at the last session of the CMEA, Gyorgy Lazar met with Nikolay Ryzhkov.

The development of economic relations figured prominently at the talks. When visiting Csepel, Mikhail Gorbachev asked the leaders of the Csepel workers' collective how cooperation there, in the unit, and with the Soviet partners and in the socialist community in general, could be made more successful and efficient. The Hungarian-Soviet discussions held since made efforts to this aim, and the forthcoming visit to the Soviet Union of Gyorgy Lazar is also part of the process.

Cooperation carried out with the Soviet Union is of major importance for the Hungarian economy struggling to switch over to a new development course, and with the problems caused by the external economic environment. The Soviet Union is also interested in exploring the new, reciprocally advantageous possibilities of joint work. Its acceleration programme demands more modern products, more advanced technology, better efficiency and for science to become a productive force. Our fundamental efforts are thus also identical in this field and demand, and also facilitates the further development of many-sided bilateral cooperation and cooperation realized within the CMEA.

The value of goods turnover envisaged for 1986-1990 is 51,000 million roubles, which is 3 percent more than in the previous five-year plan cycle. The value of export-import for 1986 is expected to stand at 10,000 million roubles. Both sides aim at exploring further delivery possibilities, and the exchange of goods worth 700 million roubles is assured so far over the plan. It is a joint effort that this sum increase to 1,500 million roubles by 1990. It is expected that such an aim will be on the agenda of the current exchange of views between the prime ministers in Moscow.

It is decisive for Hungary that the Soviet Union has undertaken further obligation to deliver raw materials and energy carriers necessary for production, on the 1985 level. The Hungarian side is to mainly extend the export of food, plant protecting agents, and light industry products. As compared to 1985, Hungarian agricultural export to the Soviet Union is to increase by 61 per cent (at comparative prices) in 1990. The Hungarian economy is the sixth most important partner of the Soviet Union, and Hungarian companies are the largest deliverers of buses, plant protecting agents and certain pharmaceutical preparations to the Soviet Union.

Outstanding examples of the joint work realized at the major projects of the two countries is Hungarian participation in the building of the Yamburg gas pipeline. The 1,500 Hungarian workforce at Tengiz is to increase to 5,000 and more Soviet assistance is to be provided for the extension of the Paks Nuclear Power Plant in Hungary.

The long-term programme of Hungarian-Soviet economic and technical-scientific cooperation until the year 2000 provides an appropriate framework for the mutual efforts. Experts are to re-examine, streamline and extend the some 30 production specialization and cooperation agreements in force at present, and seek opportunities to further deepen integration, and extend it to other areas. The target at present is to establish complex cooperation activity between Hungarian and Soviet partners which includes joint research and development, and joint production and reciprocal delivery.

The necessity of founding joint ventures was voiced at the time of Mikhail Gorbachev's visit to Budapest and since then experts concerned have come close to concrete agreements in several fields. The organizational and legal frameworks were created in the bilateral inter-governmental agreement signed by Gyorgy Lazar and Nikolai Ryzhkov at the November session of the CEMA. Several problems will have to be solved in the course of common work as, to a certain extent, the economic units operate under differing management and, as experts point out, Hungarian companies should also be made more interested in such cooperation. The visit to Moscow of the Hungarian prime minister is expected to provide further impetus to this process.

MARJAI DEPARTS FOR ECONOMIC TALKS IN MOSCOW

LD192247 Budapest MTI in English 1712 GMT 19 Dec 86

[Text] Budapest, December 19 (MTI) -- Jozsef Marjai, deputy chairman of the Hungarian Council of Ministers, left for Moscow on Friday to hold talks on issues of bilateral economic cooperation.

PRESIDIUM DISCUSSES SCHEDULE, OTHER TASKS

LD222358 Warsaw PAP in English 2048 GMT 22 Dec 86

[Text] Warsaw, Dec. 22 -- The Government Presidium today discussed the schedule, adopted by the 3rd PUWP Plenum of the implementation of the 10th congress resolution.

It also reviewed the course of work on the realization of the decisions of the resolution of the 3rd plenum and the time-table of the Council of Ministers for the first half of next year. The key task of the government is to create economic, legal and organizational conditions corresponding to the current stage of the implementation of economic reform and to guarantee the realization of the national socio-economic plan for 1986-1990.

In its works, the Council of Ministers took into account the need for structural changes in the national economy and for its pro-export orientation and accelerated scientific, technical and organizational progress. It is envisaged that the provisions of the draft long-term plan till the year 2000 will also be discussed.

The Government Presidium acquainted itself with a report on the state of natural environment protection and the current works carried out by the government in this field. As research shows, the deteriorating quality of river waters has been checked in the last three years. Even so, the state of lake water cleanness has deteriorated.

391 newly built sewage treatment plants have been put to operation in the years 1983-85. The nearly 72-thousand-ton drop in the emission of dust is also a positive phenomenon. On the other hand, the amount of gas which polluted the atmosphere went up.

The Government Presidium outlined the direction of further undertakings to counter the degradation of the natural environment.

In another point of the debates the Presidium adopted a time-table of work aimed at a further improvement in the quality of production. The principles of financing are to be modified in the direction of promoting high quality production. Granting credit and income tax reductions will increasingly depend on the quality of products. The role and tasks of quality control services will be increased.

The Government Presidium stressed that improving quality calls for increasing social and production discipline at each work post.

Taking into account the stance of the constitutional tribunal, the government Presidium decided to lift the obligation to register meat and meat byproduct coupons next year. The Government Presidium adopted a draft decree of the Council of Ministers concerning surtaxes, with the amount exempt from tax for 1987 being 576 thousand zlotys.

PZPR CC PLENUM MEETS 18 DECEMBER

LD190511 Warsaw PAP in English 1408 GMT 18 Dec 86

["Discussion at PUWP CC Plenary Meeting" -- PAP headline]

[Text] Warsaw, Dec. 18 -- Slawomir Krupa, PUWP CC member, chief electrician of "Kedzierzyn" nitrogen plant, focussed his attention on the problems of foreign trade.

He said: The export's economic effect, its rationally, cannot come as the sum of decisions and initiatives of independent economic units, even ones stimulated by appropriated economic instruments. The export's economic effect must be calculated in the macro-scale. The point is not only in the number of exports or the volume of turnover but in the way that the result of the foreign trade's activity affects the national income.

Roman Ney, PUWP CC member, head of the Mining Academy Institute in Krakow and secretary of Pan's 7th Department, dealt with problems of energy. He said: The enemy-consumption indices for Poland's national income are 1.25-3 times higher than those of the incomes of the comparable European countries. There is on the one hand, a lower level of supplies of various forms of energy, and on the other, an uneconomical use of energy.

Ney said that in order to overcome this phenomenon it was necessary to prevent coal production from slumping below the level of 190-192 million tons, and to invest in the energy-saving ventures to obtain owing to them 22 million tons as soon as possible after the year 1990. The government should adopt a programme of internal rationalization of economy in the fuel-energy complex. It is necessary to draft and put into effect a programme of utilization of unconventional sources of energy.

Jan Bednarek, general manager of the "Chemitex-Wistom" synthetic fibres plant in Tomaszow Mazowiecki, summed up both the positive and negative experience in the introduction of the economic reform. while presenting his assessment, he focused on problems connected with the introduction of technological progress. Said he:

Science and industry must maintain tight cooperation. It is also necessary to establish partnerships or enterprises with a flexible structure that would develop innovations.

Eugeniusz Pustowka, PUWP CC member, general manager of the Lenin Steel Mill in Krakow, said that fears have accumulated concerning the rightness of some instruments of the economic reform, and the direction of changes against the background of difficulties and faults existing in the economy despite numerous positive phenomena.

Alfred Miodowicz, Political Bureau member, OPZZ chairman, said that a chance of development lies both in the organization of work and thriftiness, but not in prodding people to work on free Saturdays, in overtime and in economic teams. Trade unions welcome the offensive which has been announced in the Political Bureau report and which is designed to stimulate initiative and enterprise.

WARSAW PACT COMMANDER ARRIVES IN GDANSK

LD2131041 Szczecin Domestic Service in Polish 0600 GMT 22 Dec 86

[Text] In connection with the celebrations of 90th anniversary of the birth of Marshal Konstanty Rokosowski, an honorary citizen of Gdansk, Gdynia, and Kartuzy, Marshal of the Soviet Union Viktor Kulikov, commander in chief of the United Armed Forces of the Warsaw Treaty states, has arrived in Gdansk on a friendly visit. Today Marshal Kulikov will participate in a solemn session of the Municipal People's Council in Gdansk and in the opening of an exhibition devoted to Marshal Rokosowski. He will also visit the Lenin shipyard.

JARUZELSKI, GLEMP DISCUSS POPE'S 1987 VISIT

LD221822 Warsaw Domestic Service in Polish 1800 GMT 22 Dec 86

[Text] General Wojciech Jaruzelski has met with Jozef Cardinal Glemp. The chairman of the Council of State and the Polish primate discussed preparations for a third visit by Pope John Paul II to Poland in June 1987. It was stressed that the appropriate conditions should already be being created for the pope's visit, above all, a favorable climate in the overall structure of state-church relations so that the visit might bring benefit to the faithful and to Poland. The Council of State chairman and the Polish primate agreed that state and church authorities will direct an invitation to the pope.

GENERAL KISZCZAK ADDRESSES CONFERENCE ON LAW

LD230406 Warsaw Domestic Service in Polish 2220 GMT 22 Dec 86

[Excerpts] [Announcer] We will now broadcast a report on the conference chaired by General Czeslaw Kiszczak, chairman of the Council of Ministers Committee for the Observance of Law, Public Order and Social Discipline.

[Correspondent Marek Kossa] The conference was attended by heads of voivodship teams dealing with infringement of the law in the private sector and militia and organs of control such as the State Trade Inspectorate and the Supreme Control Chamber as well as workers of the Warsaw enterprises. Participants of the conference discussed the results of the control operation carried out under the code name Sektor. Opening the conference, General Czeslaw Kiszczak said, among other things:

[Begin Kiszczak recording] The aims assumed by the congress and the third plenum can be achieved if several conditions are met. One of them is removing from our social and economic life pathological phenomena such as lack of thriftiness, wastefulness, taking advantage of the social and economic difficulties, dishonesty toward society and the state, criminality and such negative phenomena. This list also includes abuses and other infringements of the law which occur in the functioning of the private economy sector. All these reformations slow down and distort the positive processes of development. That is why they must be combated with full consistency and full resoluteness. As regards our activity within the framework of the Sektor operation, its idea must be to create a green light for honest craftsmen and private traders and the conduct of business which is in accordance with the law by the Polonian [run by expatriate Poles] firms as well as the resolute and severe counteracting of the abuses and illegalities that occur in this sector. [end recording]

[Kassa] Next, General Czeslaw Cwiek presented the control actions carried out so far in the private sector and spoke about the plans for the future. [passage omitted] The discussion at the conference was summed up by General Czeslaw Kiszczak, who said, among other things:

[Begin Kiszczak recording] Esteemed comrades, our party and the socialist state have for many years now been voicing and consistently implementing the principle of active co-participation by the crafts sector and other forms of private economy in the development of the socialist economy.

Relevant legal and organizational conditions have been created for this sector which make it possible to correctly implement this principle. Thanks to this, and on this basis, in recent years in particular, there occured a very significant development of crafts, private trade and Polonian firms. In proportion to this the participation of this sector in our economic ventures has increased considerably. But this whole development process ought to go on in line with these political and state decisions and regulations that aim at assisting and strengthening the socialized economy through the activity of the private sector. This sector, after all, is to play a complementary role in relation to the state sector.

Apart from this, it is to be more flexible than the former as regards production and services for the population, and in particular as regards satisfying many daily living needs of the population. It is to be at the same time, accessible as regards prices. Such principles of activity should be dominant ones and should be consistently observed on a daily basis. Unfortunately, things are quite frequently different in practice. As was said here, sometimes the crafts, the private trade and the Polonian firms, instead of complementing the socialized sector, simply feed off it and deform it to a certain extent. This applies to interception of raw materials and semi-finished goods, sometimes the ones that are in short supply, and using them in their own private production and trade. Tax crimes are speading and abuses in the sphere of limits on employment are continuing, bribery of representatives of local administration occurs and bribery of representatives of the socialist economy sector also takes place. When we discuss the functioning of the private sector, which constitutes an integral part of the state economy, we must remember that these issues must be evaluated in the broad context of the whole national economy and all the fundamental economic and social phenomena taking place in Poland.

The situation manifesting itself in the state and cooperative economy should be kept in mind because some negative phenomena are also being shaped there. In part, workers and functionaries of various state bodies and institutions are to blame. If the territorial administration upon which Premier Professor Messner places so much emphasis functioned properly, the so-called flexible permits for Polonian firms, craftsmen and private traders, allowing them to conduct multi-directional and in this way, uncontrolled or only partially controlled economic activity, would not be issued.

If order reigned and individual workers behaved honestly in socialized workplaces, it would be difficult for the private sector to obtain by trickery valuable raw materials, semi-finished goods or finished goods in order to cheat society through glaring enrichment. Finally, if all our bodies of financial control functioned properly, if there were not among them people who allow themselves to be bribed, as took place in Wroclaw, it is certain that many cases of financial abuse would be discovered sooner, and criminal dealings would be quickly stopped and the state treasury and society would not incur such losses as are taking place at present.

Generally, it may be stated that if there were more honesty on both sides and [words indistinct] the state bodies on this more reliability and consistency, there would be no need to introduce Sektor into our operations and there would be no need to execute on our side so much additional efforts and time which could be used in other spheres quite successfully. However, as long as it is as it is, we cannot it withdraw from our activities. The Sektor operation must be continued. We must continue to build dams against the expanding infringement of the regulations in the area of the private economy.

ARTICLES DISCUSS RECENT CSCE MEETING

LD221303 Warsaw PAP in English 1139 GMT 22 Dec 86

[Text] Warsaw, Dec. 22 --Summing up on the just-finished first round of the CSCE meeting in Vienna, TRYBUNA LUDU daily wrote today that two trends, two approaches to Europe clash in Vienna.

"The socialist countries demonstrate their adherence to and support for the CSCE process and in a determined way seek to carry on, strengthen and broaden it, favouring a more dynamic character of the CSCE process on all its platforms, in a vision that embraces all the real problems of Europe.

"The U.S., however, agrees to only such moves which lie in its selfish interest and fit in with its global, superpower strategic assumptions.

"It seems that the U.S. is not interested in working out any new documents dealing with European detente and cooperation, and hence in any further development of the CSCE processes.

"As to the neutral and non-aligned states, although they have so far shown no major initiative, they are firmly in favour of the CSCE process and their stand tends to be closer to the socialist countries' position than that of the NATO states.

"Our critical attention must be given to the position taken by the FRG. Bonn has raised the questions of an alleged "German minority" in Poland, in an attempt to extend the validity of the German law onto Polish citizens, and of the peaceful change of state boundaries," TRYBUNA wrote.

"This makes a set of postulates that undermine the order created by the Yalta and Potsdam agreements, upset the atmosphere of the CSCE meeting, and lay burden on the Polish-FRG relations.

"On the positive side, let us take note of the FRG active interest in trade with the east and other forms of general European cooperation," TRYBUNA noted.

Writing on the same subject, government newspaper RZECZPOSPOLITA said that "undoubtedly, the state least interested in a vivid and generally beneficial development of the CSCE process is the U.S.

"The U.S. is moreover trying to use its influence among NATO members to divert West European nations from any more intensive dialogue and cooperation with the east of Europe.

"At times this has given the Vienna meeting a character of confrontation towards the socialist states, though it would be an oversimplification to launch a uniformly negative assessment of the policies of West European states, as depending on the topic of discussion they tend to take different stands and often express interest in dialogue and cooperation with the socialist states, chiefly in such areas as environmental protection, or economic, scientific and technical cooperation," RZECZVOSPOLITA wrote.

"The CSCE process has played a special role in recent years. It should be viewed as the main factor of stabilizing the international situation," the daily wrote, expressing the hope that "in further course of the Vienna-86 meeting, the participating states -- aware of the hitherto role of the CSCE -- will find the way towards detente."

PAP INTERVIEWS GWIAZDA ON THIRD WORLD TRADE

LD222343 Warsaw PAP in English 1839 GMT 22 Dec 86

[Text] Warsaw, Dec. 22 -- "Poland plans to develop trade and economic cooperation with any states it is only possible and beneficial to do so," said Vice-Premier Wladyslaw Gwiazda in an interview for PAP on trade with developing countries. [as received]

"It would be an impermissible mistake to ignore the possibility of economic cooperation with developing countries," he added.

"We are keen on the imported production supplies for Poland's industry and also seek possibilities to sell Polish capital goods in those countries, but we also purchase machines there. The latest examples are imports of textile and photocopying machines from India and ships from Argentina. We deem it possible to cooperate on the principle of industrial cooperation, to exchange know-how or to jointly operate in markets of third countries with a view to developing exports," said Gwiazda.

"The Foreign Trade Ministry said in 1980 Polish exports to developing countries amounted to 1,650 million dollars. In 1985, they exceeded only 1.2 billion dollars, while imports were higher," the vice-premier said.

"Financial and payment difficulties mostly affect the present situation. Poland's crediting capacities are still scarce also because we ourselves have not been able to gain credits for several years now. However, the Polish Government made decisions to increase the room of manoeuvre for Polish exporters," Vice-Premier Gwiazda went on.

"Impediments on our side consist in the fact that Polish commodity offer is not always competitive. Polish trade and service network in developing countries is not sufficiently developed. In this connection, we adopted economic and financial solutions that should decrease these obstacles.

"Along with Poland's participation in the World Bank, it is possible for Polish experts to take part in investment programmes in developing countries financed by this bank. Cooperation with the UNIDO is a trump card in the promotion of Poland's export, not fully used so far.

"Certainly, the time of simple solutions in trade with developing countries passed. We will be able to still gain benefits from this cooperation, provided it covers forms living up to expectations of our partners.

"The share of developing countries in Poland's total exports has amounted to some 10 percent for quite a long time.

"We would like turnover with developing countries to rise at least at such a rate as turnover of the entire foreign trade.

"In 1985, the share of the first ten developing countries trading with Poland, in Poland's total exports to this group of countries, approximated 75 percent. They were: Brazil, Iraq, Libya, Turkey, Iran, India, Argentina, Algeria, Morocco and Egypt. Certainly, Polish offer will not reach all 100 developing states, but the list of economic partners may exceed 30 countries of the group with which we are now trading," Gwiazda said.

COMMUNIQUE ISSUED ON ZHIVKOV-CEAUSESCU TALKS

AU191120 Bucharest AGERPRES in English 0913 GMT 19 Dec 86

["Communique" on official talks held between Nicolae Ceausescu and Todor Zhivkov in Giurgiu and Ruse 18 December]

[Text] Bucharest, AGERPRES 19/12/1986 -- On the basis of a joint understanding, Comrade Nicolae Ceausescu, general secretary of the Romanian Communist Party, president of the Socialist Republic of Romania, and Comrade Elena Ceausescu had a friendly working meeting with Comrade Todor Zhivkov, General Secretary of the Bulgarian Communist Party, president of the State Council of the People's Republic of Bulgaria, on December 18, 1986.

In the town of Giurgiu, Comrade Nicolae Ceausescu presented Comrade Todor Zhivkov with the "Victory of Socialism" order he was conferred on his 75th birthday for his outstanding contribution to the development of cooperation between the Romanian Communist Party and the Bulgarian Communist Party, to the strengthening of friendship between the Romanian and Bulgarian peoples, to the general cause of socialism, international peace and cooperation.

The two party and state leaders held talks on a number of questions of common interest in the town of Ruse. Comrade Nicolae Ceausescu and Comrade Todor Zhivkov informed each other about the fulfilment of the resolutions of the Thirteenth Congress of the Romanian Communist Party and of the Thirteenth Congress of the Bulgarian Communist Party, about the current tasks for the more rapid social and economic development of the two fraternal countries.

The two party and state leaders highlighted with satisfaction the growing course of the bilateral cooperation in all areas. The principles of Marxism-Leninism, equal rights, national independence and sovereignty, as well as the 1970 treaty of friendship, cooperation and mutual assistance were re-affirmed as the solid basis of the Romanian-Bulgarian relations.

Stress was laid on the great significance of the traditional meetings between Comrade Nicolae Ceausescu and Comrade Todor Zhivkov for the continuing expansion and deepening of the ties between the Romanian Communist Party and the Bulgarian Communist Party, between the Romanian and Bulgarian peoples. The top-level understandings were shown to be fulfilled successfully.

Romanian-Bulgarian political, economic and cultural ties have developed actively. Contacts and exchanges of experience on a party line, between the parliaments, governments, mass and public organizations have expanded and so has international cooperation between the two countries. It was agreed that these ties should continue to grow in future.

The implementation was considered of the long-term programme for the development of economic, technical and scientific cooperation between the Socialist Republic of Romania and the People's Republic of Bulgaria until 1990 and -- in some areas -- up to the year 2000.

Outstanding questions related to the growth and improvement of bilateral cooperation were analysed, as well as of the intensification of cooperation for the fulfilment of the understandings adopted by the CEMA economic summit, the attainment of the goals of the Comprehensive Programme of Technical and Scientific Progress of these countries up to the year 2000, in the spirit of the talks held during the recent Moscow working meeting of the leaders of communist and worker parties in CMEA socialist countries.

The work of the Joint Romanian-Bulgarian Intergovernmental Commission for Economic and Technical Scientific Cooperation was assessed as positive.

During their talks, the two leaders concentrated on a growing volume of goods exchanges between the two countries, on the further deepening and broadening of production specialization and cooperation in production, especially in machine-building, electrical engineering, electronics, metallurgy, chemistry, and on the joint utilization of the waterpower potential of the River Danube.

Furthermore, stress was laid on the need to deepen long-term cooperation, to seek new ways to expand it, and for that purpose to use more advanced forms of cooperation, including direct ties between enterprises in the two countries, on the basis of cooperation in production and production specialization.

Particular emphasis was placed on the higher efficiency of technical and scientific cooperation and its growing role in the joint implementation of major economic targets as a significant reserve for the further dynamic expansion of the economic relations between the Socialist Republic of Romania and the People's Republic of Bulgaria.

The two party and state leaders were highly appreciative of the positive results of the growing bilateral relationship and stated their full confidence that it would broaden and deepen in all areas, to serve the interests of the two people, the cause of socialism and peace worldwide.

Comrade Nicolae Ceausescu and Comrade Todor Zhivkov exchanged views on the most important present international issues.

The two party and state leaders assessed the defence of peace, the cessation of the arms race and a passage to concentrate disarmament measures, nuclear disarmament measures first of all, and the elimination of the nuclear threat as paramount in our age.

Voicing concern over the current international developments the two leaders reiterated their support to the USSR's principled, constructive and flexible position at Reykjavik meeting. An expression of a new political thinking, it reflects the need for bold and resolute actions to strengthen peace and security in the century of nuclear missiles. Concern was also expressed over the nonconstructive actions of certain imperialist circles that try to distort the results of the meeting and bar disarmament negotiations.

Both countries spoke for the unconditioned observance of the arms limitation and disarmament treaties and understandings and noted that through its actions the USA disregards its obligations. This runs counter to the interests of peace and to the peoples' expectations and will bear negatively on the prospects for concluding accords regarding the cessation of the arms race and the passage to disarmament.

Comrade Nicolae Ceausescu and Comrade Todor Zhivkov reasserted their support to the Soviet Union's programme for the general and complete liquidation of nuclear amrs and of the other types of arms of mass destruction by the end of the century. The cessation of nuclear tests, the achievement of nuclear disarmament and the prevention of space militarization, the banning and liquidation of chemical weapons and other disarmament measures will free the peoples of Europe and throughout the planet from all threats.

Declaring for a complex approach to disarmament questions, the two party and state leaders underscored the importance of the appeal on the programme for troops and conventional arms reduction in Europe adopted at the Budapest meeting of the Political Consultative Committee of the Warsaw Treaty participating states in conditions of an appropriate cut in states' military spending. The actions taken along this line by the Socialist Republic of Romania and the People's Republic of Bulgaria were assessed in the positive.

The two leaders hailed the results of the Stockholm Conference on Security and Confidence-Building and on Disarmament and reiterated the two countries' determination to work for the Vienna meeting of representatives of the Conference on Security and Cooperation in Europe participating states to be held in a constructive spirit, and to make substantial contribution to disarmament, to strengthening the cooperation among all the European states.

The Socialist Republic of Romania and the People's Republic of Bulgaria highlighted the need for a steadily develoing bilateral cooperation among Balkan states in all areas, as well as for their multilateral cooperation in domains of joint interest, which contributes to consolidating the climate of confidence and understanding, peace and security in the Balkans.

Comrade Nicolae Ceausescu and Comrade Todor Zhivkov reasserted the resolve of the two neighbour countries to intensify their activity of turning the Balkans into a zone free of nuclear weapons, and of carrying into effect the joint Romanian-Bulgarian initiative on the setting up of a chemical-weapon-free zone in the Balkans. Both countries assess these actions as an important contribution to strengthening peace and security in the region, in Europe and worldwide.

Exchanging opinions on other important international issues as well the two party and state leaders pointed to the need for a just and lasting solution to the existing litigious issues and conflicts by peaceful, negotiated means. The need was underscored to liquidate underdevelopment in order to comprehensively settle international economic problems, the developing countries' extremely high foreign debt problem, to build a new international economic order grounded on equal rights and equitable interstate relations.

The two party and state leaders expressed once again their countries' firm determination to work together with the Warsaw Treaty participating states, with the other socialist countries, with all peace-loving democratic and progressive forces to strengthen peace, cooperation and security in Europe and throughout the world.

The meeting passed in a comradely atmosphere, in a spirit of full confidence and understanding. It was another expression of the traditional Romanian-Bulgarian ties, of the links of friendship and steadily growing cooperation between the two parties, countries and peoples.

CEAUSESCU MESSAGE TO BALKAN MEETING NOTED

AU221304 Bucharest AGERPRES in English 1221 GMT 22 Dec 86

[Text] An expert meeting of Balkan countries on the achievement in the Balkans of a chemical-weapon free zone started in Bucharest, on December 22.

The meeting is participated in by delegations of the people's Republic of Bulgaria, the Hellenic Republic, the Socialist Federal Republic of Yugoslavia, Romania and Turkey.

In opening the meeting, the message addressed by Romania's President Nicolae Ceausescu to the heads of state and government of the participant states and to the delegations present in Bucharest was presented. The message was received with great interest and punctuated with applause by the attendance.

The meeting continues.

AUSTRIAN DAILY ON SITUATION OF HUNGARIANS

AU222015 Vienna KURIER in German 22 Dec 86 p 3

[Excerpt] [Passage omitted] The situation of the about 2-million-strong Hungarian ethnic group in Romania is extremely dismal. This year there were almost no Hungarian schoolbooks for the pupils in the first grade of the primary schools. For the 1986-87 school year more than 200 Romanian-speaking teachers were appointed in Covasna and Harghita Countries -- teachers who do not speak Hungarian at all although they are working in the Hungarian area.

Historical monuments of the Hungarians, for instance in Alba Iulia, are crumbling because the state refuses to renovate them.

In Brasov, Hungarian books were removed from the libraries following a secret decree; the city's Evangelical community had to hand over its valuable parish archive to Bucharest. The Hungarian cemeteries are falling into decay; therefore, on 1 November demonstrations took place in Cluj-Napoca and dissident flyers were distributed. In revenge, the secret police known as Securitate closed the cemetery on All Souls' Day.

New editions of brochures were published, which list the atrocities committed by the Horthy regime toward the Romanians during World War II. The "Romanian Encyclopedic Society" published a collection of anti-Hungarian articles and pamphlets, which say, among other things: "Romanian brothers, drive out the Hungarian parasites!"

In an open letter, several thousands of believers of all creeds and Hungarians [as received] appealed to the Hungarian church leaders to intervene on behalf of the Hungarian minority in Romania in their Christmas messages and to found a fund to support the suffering brothers "in Ceausescu's empire."

How disastrous the situation in Romania is, is demonstrated, for instance, by the fact that on 21 November in Capleni and Beveni 10 Romanian border soldiers, in uniform and fully armed, fled to Hungary.

MILEA CABLES SRV DEFENSE MINISTER ON ARMY DAY

AU231122 Bucharest SCINTEIA in Romanian 21 Dec 86 p 5

[Text] Colonel General Vasile Milea, minister of national defense of the Socialist Republic of Romania, has sent a cable of congratulations to the minister of national defense of the Socialist Republic of Vietnam, Army General Van Tien Dung, on the 42d anniversary of the creation of the Vietnamese People's Army.

NICU CEAUSESCU ADDRESSES UCY PLENARY SESSION

AU201714 Bucharest AGERPRES in English 1443 GMT 20 Dec 86

[Text] Bucharest AGERPRES 20/12/1986 -- On December 20 a plenary meeting of the Central Committee of the Union of the Communist Youth [UCY] was held to debate the activity carried out by the UCY bodies and organizations to enhance the contribution of the youth to the implementation of the resolutions of the 13th Congress of the RCP and of the stipulations in the Single National Plan for Economic and Social Development in 1986, and the tasks incumbent on them in view of the participation of all the youth in the programmes for Romania's development in 1987.

Emil Bobu, member of the Executive Political Committee, secretary of the CC of the RCP, participated in the plenary meeting and took the floor.

During the plenary meeting there have been endorsed the programme on the participation of the young generation in the materialization of certain goals regarding Romania's economic and social development in 1987, and the resolution regarding the organization of activities during the winter 1986-1987 school holidays.

At the conclusion of proceedings Nicu Ceausescu, alternate member of the Executive Political Committee of the CC of the RCP, first secretary of the CC of the UCY, took the floor.

The participants in the plenary meeting sent a telgram to RCP general secretary Nicolae Ceausescu, president of Romania.

BRIEFS

GNA DEPUTY ELECTION -- Partial elections took place 14 December in Bucharest's Constituency No. 26 for one deputy to the Grand National Assembly (GNA). Thus, Comrade Ion Constantinescu, minister-secretary of state at the State Planning Committee, was elected deputy to the GNA. The partial election documents have been sent to the GNA Bureau to be forwarded to the GNA Credentials Commission. [Summary] [Bucharest SCINTEIA in Romanian 16 Dec 86 p 5 AU]

OLTENITA SHIPYARD PERFORMANCE -- Bucharest AGERPRES, 18/12/1986 -- The workers of the shipyard in Oltenita launched another ship of 2,150 dwt meant for export. Of the series of like ships, 58 have been built so far for foreign beneficiaries. In the last twenty years more than 700 ships manufactured in Oltenita were exported to various countries. Work is under way to finish other three ships for export, the 5,000-dwt one undergoing final tests. [Text] [Bucharest AGERPRES in English 1016 GMT 18 Dec 86 AU]

SETINC DISCUSSES SECURITY-POLITICAL SITUATION

LD082357 Belgrade TANJUG Domestic Service in Serbo-Croatian 1907 GMT 8 Dec 86

[Text] Ljubljana, 8 Dec (TANJUG) -- "A society in crisis provides fertile ground for differing thoughts about and alternatives to the ways out of the difficulties. Some of the alternatives are well-intentioned, but some are antisocialist and aim to change the social order. On the other hand, we have people who think that their time has come; they talk about the party being weak, defeated, so to speak, and say they must do something to safeguard this political system. At the same time, although it seems contradictory, these people, individuals, groups believe that we have embarked on the path of consolidating socialist self-managing society and are, therefore, hurrying, getting together to write programs." This was said, among other things, by Franc Setinc, member of the LCY Central Committee presidium, in a half-hour program on Ljubljana television devoted to the Yugoslav security-political situation.

In reply to a question as to whether the enemy was our greatest problem, Franc Setinc said that we, ourselves, were our own greatest enemy. This was especially emphasized in the stance of the SFRY Presidency and the LCY Central Committee Presidium. What was in fact said was that our most important tasks concern the economy, the consolidation of self-management, and the task of heightening moral standards. We must fight various unacceptable ideas with creative results, which are our most important weapons in the conflict with anticommunist, antisocialist and anti-self-management forces.

Asked if this is an ideological purge, Setinc said that "this is not a witchhunt." We are faced here with a conflict of ideas, views. Doesn't the LC have the right to organize itself, to enhance its capabilities, to speak publicly, to oppose unacceptable ideas? I think it at least has that right.

Speaking about the common characteristics of all hostile activities, Franc Setinc said that they were carried out by anticommunist forces and that their common feature was something which could be called an antisocialist act, an antisocialist aspiration, or an anti-self-management aspiration as these forces are not only right-wing, andticommunist or, as they are sometimes called, liberalistic, which is a very vague description. We are faced also with dogmatic, centralist forces. I could even call them neo-Stalinist, which can be as dangeropus. In other words, while concentrating our attention on the dangers of the right-wing forces, we may suddenly find that dogmatic centralist forces have appeared on the stage offering their help as allies who would raise the alarm about the alleged dangers to socialism and then call for the party to strengthen its role, for a policy of using a firm hand, for the increased role of the state, and so forth. We must be aware of such an undesireable ally, and I think that the stance of the SFRY Presidency and the LCY Central Committee Presidium warn of this, Setinc said.

In Setinc's view, it is very important that those economic problems containing considerable ideological material are quickly resolved. For instance, until recently everyone was saying that the Critical Analysis of the Functioning of the Political System was not good, that it was not in line with the long-term stabilization program. The majority thought the long-term program good. However, we now have people who say the long-term program is not good either; this is what ideological conflicts are all about.

In reference to the memorandum, Setinc stressed that the memorandum was a call to destroy Yugoslavia, to sow intolerance among our people. It is obvious that this is something we do not need at the moment. I mean, it is good that the Communists in Serbia, in Belgrade countered it, but I also think that it has to be fought by all the working people, all the nations and nationalities in Yugoslavia, as our own skin is at stake.

Setinc also dwelled on alternative movements in our country, particularly stressing the initiatives of the peace movement and assessing that such a movement is necessary in our society. "It is a question of a peace movement of the young, of older people, of involvement in a broad peace movement against nuclear war, against arms, and of a desire to lend support with such a movement to our foreign policy. The ecology movement, for example, is just as positive. We must allow people to rally together within the Socialist Alliance, which should, above all, offer an area where we can correct what we have failed to do in the past, because socialism has an opportunity to offer a better alternative than the capitalist states."

Speaking about the initiative for doing military service "as a civilian," Setinc noted first of all that this was "put forward by the youth at their congress in Krsko. This is a legitimate initiative that should be discussed. It is pointless to say at this stage that this is virtually an antistate act, that it should not be discussed. In the SFRY Assembly, for example, they discussed a petition from respected people about the legal state. Why shouldn't they discuss this initiative of the youth? Whether it is acceptable is another question. It should be expounded; we should see what is good and what is bad in it; we should hear the arguments for and against it. Yugoslavia covers a broad area; there are differing ideas, different points of view here, and we certainly cannot implement only Slovene ideas. Some say that this has given rise to considerable disquiet in Yugoslavia, but the question is whether the disturbance was caused simply by the views of the youth in Slovenia, which are sometimes imprecise, so that some have understood the initiative on doing military service "as a civilian" as, let us say, an inititiative for not doing military service at all, for disbanding the Yugoslav People's Army, and so on.

When I read various Yugoslav newspapers, I asked myself what has caused the most concern: Is it only the initiative of the youth at their congress, or is it the writings of certain newspapers that said the initiative was aimed at the foundations of the all-people's defense and social self-protection, that the initiative was an attack on the Yugoslav People's Army, that it counts on weakening the efficiency of our defense, that it is playing into the hands of the enemies of this country, that peace movements are appearing amid the ruins of all-people's defense, and that the initiative is advocating the abolition of military obligations and the disbanding of the Army? I believe that these ill-intentioned interpretations, or superficial ones, whatever you want to call them, are causing the disquiet. This is why we should put an end to this kind of writing and discuss the initiative as it stands, openly, and argue about it in public," stressed Setinc.

LCY'S RENOVICA ON RELATIONS IN FEDERATION

AU221418 Belgrade POLITIKA in Serbo-Croatian 1 Dec 86 p 6

[Lj.C. report on interview given by Milanko Renovica, president of the LCY Central Committee Presidium, to Sarajevo television "on the occasion of Republic Day" -- place not given]

[Text] On the occasion of Republic Day, Milanko Renovica, president of the LCY Central Committee Presidium, gave an interview to Sarajevo television within the framework of the "Political Journal" program.

The next day, Sarajevo OSLOBODJENJE carried unauthorized excerpts from this interview in its festive 28 November issue and, in view of the modest space available to us, we carry those parts of the OSLOBODJENJE excerpts which seem the most interesting.

One question asked by the moderator and editor of the "Political Journal" program was: "What do you think about the almost humorous thesis that the SFRY has one day in the year, that is, 29 November... and that the remaining 364 days are the days of the republics and provinces? And is this merely a verbal remark, or is it perhaps an economic and political fact?" According to OSLOBODJENJE, Milanko Renovica answered:

Federation Has Its Functions [subhead]

"It is and it is not. If what is meant here is only an act of festive celebration, then it is a fact that the federation also celebrates and observes several holidays; but if what is meant in this connection are the actual political and economic relations, then it can be said that a great deal of what is called -- within the framework of decentralization of our total relations -- polycentric statism, on the one hand, or centralist statism, on the other, has become accumulated here. However, I think that the state of affairs must be considered on the basis of our principled, political, and constitutional solutions. The federation has its own functions, which are determined by the Constitution, and it is through these functions that the peoples and nationalities and the working people fulfill their rights and duties: The federation protects sovereignty, territorial integrity, the unity of the political system, and the unity of the socioeconomic system, but the republics also fulfill their interests with the federation, either through the organs of the federation, or through direct cooperation, or by fulfilling their constitutional duties and rights. However, it is a fact that certain steps mut be taken to ensure a greater degree of unity among the organs of the federation and to ensure that the republics and provinces, too, -- and not only they but also all organized forms of social awareness -- exercise their influence to more effectively, completely, and resolutely fulfill the unified common interests within the federation. And these interests will be fulfilled if, in conformity with our political and constitutional orientations, the republics and provinces actually assume the responsibility, not only for their own development, but also for the development of the entire Yugoslav socialist community. It is in this way that the cohesion of the entire society is and should be strengthened. Our development began under different cultural, economic, and other conditions, and under the conditions of different heritages, and it is quite certain that these differences have not been overcome. Therefore, certain differences also occur within the pluralism of self-managing interests which, at first glance and viewed in a one-sided way, may assume a dramatic tone; but I think that the fulfillment of the fundamental economic interests within the federation has been ensured at all stages until now. Accordingly, the federation also has its working and festive days, although I think that it is justified to raise the question of the need to strengthen responsibility for a more efficient work of the institutions of our system in the federation and, most certainly, also in the republics."

Is the Federal Executive Council Isolated [subhead]

Another question was: "Does it not seem to you, Comrade President, that for a long time now we have expected virtually everything from the Federal Executive Council...? Does it not also seem to you that the LC has in some way driven the Federal Executive Council to an open ground...? Answering this question, Renovica said among other things:

"... In my opinion -- and I believe this is also the opinion of the Presidium and the Central Committee -- the Federal Executive Council is very dynamic, bold, and resolute, and that it also aims at such operational actions and that ... a rounded program of measures and activities aimed at literally following the Long-Term Program [of Economic Stabilization] is being created with what has already been achieved with the July measures and with what is now being proposed....

"In my opinion, the Federal Executive Council has proven to be strong and resolute in the struggle for economic stabilization and, therefore, it needs no verbal support of any kind, but this does not imply that the concrete proposals that are put forward by the organs of the federation and that are discussed in Yugoslavia's assembly should not be further discussed and that counterarguments should not be raised against them. The Federal Executive Council, as well as other organs, must be willing to consider all observations that are made and especially those that are made by workers....

"I believe that the Federal Executive Council is completely willing to do this and that the latest session of the LCY Central Committee demonstrated that there is support for changes in parts of the economic system to bring them into accord with the stabilization program, that there is support for the directions indicated by the resolution... that this resolution is winning support with the force of its arguments, and that in all our discussions it is not necessary to question whether the Federal Executive Council enjoys some support or enjoys no support. A concept of this kind is winning broad support on its own with the force of its arguments.

"Accordingly," Milanko Renovica emphasized, "it is also winning the support of the LC."

The LC Acts Unitedly [subhead]

Concluding the unauthorized excerpts from this very extensive interview given to Sarajevo television, OSLOBODJENJE carries a question in which the president of the LCY Central Committee Presidium was requestsed to comment on the theses claiming that groups and even factions already exist within the LC and that "they no longer represent only a bogey but are a fact."

Milanko Renovica answered:

"I would not say that factions exist. The LC acts as a single unified revolutionary organization and its parts in the republics and provinces and the LC organization and its parts in the republics and provinces and the LC organization in the Army also represent component parts of this single unified organization, although they autonomously determine the policy of implementing the views of the congress and LC policy. But it is quite certain that, in addition to this, we have our unified program orientation, that is, the LC program, political convictions, and the congress decisions, and that we have a system of internal relations based on democratic centralism. Decisions are made democratically according to definite procedures and through the party's general public and become mandatory. Since the 13th congress, the internal ties have been strengthened even more and thus, the LCY and its Central Committee can assess and monitor whether the LC policy is being implemented in the individual republics or provinces and in the individual republican or provincial LC organizations. They have the right to raise the question of how this policy is implemented, to insist that this is discussed, to adopt pertinent positions, and even the right to convene an extraordinary congress of the LC of a republic or province or an extraordinary LCY congress. Therefore, I think that this part, that is, I mean, as far as factions are concerned, not only has been regulated in this way, but I also think that the entire system of relations and the process of making and implementing decisions exclude any factional activities. However, our experience shows that group activities do take place on various occasions, that is, when certain matters are being decided which concern a certain area or region, or when cadre solutions are involved, or when what is involved are some concrete demands of individuals concerning their treatment, and so forth. Some groups or group activities do manifest themselves here and there and, in this connection, the LC must be vigilant with constant criticism and in fulfilling its obligation to constantly reexamine the ideological and political activities of every individual, to continuously verify the method of implementation of party desicions, and to take measures of ideological-political responsibility.

"But these measures are by no means alien to us; this is a regular process and not a campaign," Milanko Renovica, president of the LCY Central Committee Presidium, concluded.

REPORT ON LCY-SAWPY COMMISSIONS JOINT SESSION

LD230001 Belgrade TANJUG in English 2234 GMT 22 Dec 86

[Text] Belgrade, Dec 22 (TANJUG) -- The visit to Yugoslavia by General Secretary of the Communist Party of the Soviet Union Mikhail Gorbachev, scheduled for next year, will give new important impulses to the strengthening of friendship and furtherance of all forms of Yugoslav-Soviet cooperation -- it was stated at today's joint session of the foreign policy commissions of the Central Committee of the League of Communists of Yugoslavia and the Federal Conference of the Socialist Alliance of the Working People of Yugoslavia.

The session discussed the recent visit to Moscow by President of the LCY CC Presidency Milanko Renovica and his talks with Mikhail Gorbachev, and described them as a confirmation of the successful development of Yugoslav-Soviet party and state relations. It was also noted that it would be desirable to have regular exchanges of views between the LCY and the CPSU, as well as between Yugoslavia and the Soviet Union of activities on the international level in the struggle for peace, development and progress.

For the purpose of further development of the comprehensive economic cooperation between the two countries, it is essential to surmount Yugoslavia's current trade surplus with the Soviet Union and pinpoint the spheres and programmes for developing the more advanced forms of mutual cooperation, speakers in the debate assessed.

The session also discussed the report submitted by a Socialist Alliance delegation which attended the 17th Congress of the Socialist International as a guest. It was noted that the Socialist International had grown over some ten years from an association mainly of the West European socialist and social democratic parties, into a larger-scale organization adapting itself to the contemporary international relations.

The Socialist International and its members, it was said among other things, call on progressive parties in socialist and nonaligned countries to engage in dialogue and cooperation on questions of the widest possible international interest. The League of Communists and the Socialist Alliance of Yugoslavia have long since maintained comprehensive relations with many parties and members of the Socialist International, while certain differences in view have never been obstacles to fruitful exchanges of opinions and experiences in the struggle for peace, development and progress.

SERBIAN DELEGATE REFUSES TO ATTEND WRITERS TALKS

AU222102 Pristina Domestic Service in Serbo-Croatian 2000 GMT 22 Dec 86

[Text] At its session held today, the Presidium of the Serbian Writers Association adopted the view that its representative should not be present in a delegation of the Yugoslav Writers Association, which will hold talks with SAWPY. The talks with the SAWP should be held following the election of the president of the Yugoslav Writers Association about which, as stated at the session, the Serbian Writers Association does not have to say anything else.

The Presidium has also been informed that writer Mihailo Lalic sent it a telegram in which he says that he does not want to be a member of the Serbian Writers Association any longer.

CROATIAN ASSEMBLY HALTS NUCLEAR PLANTS PROPOSAL

LD230031 Belgrade TANJUG Domestic Service in Serbo-Croatian 0138 GMT 22 Dec 86

[Summary] Zagreb, 22 Dec (TANJUG) -- The Croatian Assembly at its last session did not approve proposals in the Croatian Plan to the Year 2000 that sites be reserved in Croatia for the possible location of future nuclear power stations. It was assessed that a countrywide long-term energy plan first needs to be developed.

NIS INTERNAL AFFAIRS DIRECTOR CRITICIZED

LD200557 Belgrade TANJUG Domestic Service in Serbo-Croatian 1110 GMT 19 Dec 86

[Text] Nis, 19 Dec (TANJUG) -- The delegates of all three chambers of the Nis Municipal Assembly adopted a decision at their session today to announce public criticism of Miodrag Djordjevic, head of the Secretariat for Internal Affairs (SUP).

The delegates' decision follows the adoption of a report from the Municipal Assembly Commission for establishing the responsibility of SUP Director Miodrag Djordjevic for failure to observe "the agreement on guaranteeing fire prevention at Nis Airport," which apparently led to doubt being cast on its opening.

Considering the report of the municipal commission, the delegates voted unanimously that public criticism is an adequate measure. This decision virtually abrogates the decision of the municipal assembly made in November on the suspension of Miodrag Djordjevic from his post as head of SUP.

BRIONI MEETING PRAISES HARARE SUMMIT; CONCLUDES

LD180049 Belgrade TANJUG in English 1830 GMT 17 Dec 86

[Text] Brioni, December 17 (TANJUG) -- Decisions adopted at the Eighth Non-Aligned Summit in Harare represent a step forward in the consolidation of the Movement of Non-Alignment's unity and its more active part on the international scene.

Marko Orlandic, League of Communists of Yugoslavia Central Committee Presidency member, said in his speech today on the last day of the international scientific meeting "Tito, Non-Alignment, the Contemporary World" on the island of Brioni.

Results of the Eighth Non-Aligned Summit show the growing esteem and influence of the Movement of Non-alignment. The destiny of the world no longer depends on big powers' and blocs' activity alone. This is a direct result of non-aligned efforts, Orlandic said. Orlandic particularly stressed that an ever growing number of Latin American countries have accepted the policy of non-alignment and added that by pursuing the policy of non-alignment they can most effectively resist big powers' hegemony.

The Non-Aligned Movement does not intend to remain content with making appeals; it wants to be an active factor in seeking solutions to the present situation, Orlandic said.

He added that the Movement of Non-Alignment, following the spirit and the decisions of its eighth summit, should develop an intensive activity through the United Nations and its specialized bodies which are in the function of peace, security and disarmament.

Orlandic also said that economic difficulties, which affect most of the developing countries, are the biggest threat to the world peace and could have consequences far more destructive than a nuclear bomb. He stressed that the South-South cooperation does not pose as an alternative to the North-South cooperation, but should become a part of a single process, an essential element of the world economic system's functioning.

Several Yugoslav and foreign experts who participated in the debate today were unanimous in the assessment of the historic role of the co-founders of non-alignment -- Tito, Nehru, Al-Nasir, Nkrumah, and Sukarno.

Rabah Kerouaz of Algeria stressed that Africa needed solidarity in order to overcome its dramatic problems -- apartheid, famine and debts. He upheld actions launched by the Movement of Non-Alignment in solidarity with the South African nation and with the Palestinian people.

SWAPO representative Tuliameni Kalomoh particularly emphasized the importance of the decision taken at the eighth summit to form a non-aligned fund for assistance to the Front-Line Countries. The Syrian Foreign Ministry representative Adman Nachabe stressed that the ultimate goal of the Movement of Non-Alignment was the building of a better and more just world.

In the three-day debate at the Brioni scientific meeting, 80 experts and political workers from Yugoslavia and around twenty nonaligned countries examined the contribution of the founders of the movement and the nonaligned policy in the light of the Eighth Summit in Harare.

The meeting was organized to mark the 25th anniversary of the first conference of heads of state or government of nonaligned countries in Belgrade, and the 30th anniversary of the Brioni meeting between Tito, Nehru, and Al-Nasir.

ROMANIAN AGREEMENT REACHED ON DANUBE EXPLOITATION

LD190024 Belgrade TANJUG in English 1750 GMT 18 Dec 86

[Text] Belgrade, December 18 (TANJUG) -- The exploitation of the Danube at Djerdap is now within the Yugoslav-Romanian agreement, Yugoslav Government spokesman Aleksander Stanic said at a press conference in Belgrade today.

The Union of Yugoslav Electric Power Industry (JUGEL) announced a week ago that Romania had, since September, excessively exploited the Djerdap 1 storage lake on the Danube, and had therefore caused a considerable deterioration in the power supply in Yugoslavia. The excessive Romanian exploitation of Djerdap forced Yugoslavia to overstep the planned use of its storage lakes. Yugoslav thermoelectric plants in the region had to stop work, impeding the work of industrial facilities.

MIKULIC MEETS WITH CUBAN ECONOMIC MINISTER

FL181756 Havana Radio Reloj Network in Spanish 1503 GMT 18 Dec 86

[Text] Yugoslav Prime Minister Branko Mikulic has met with Ernesto Melendez Bachs, minister president of Cuba's State Committee for Economic Cooperation, with whom he discussed matters of bilateral interest. The talks were held in a friendly and cordial atmosphere. Future trade development between the two countries was examined. Mikulic and Melendez also exchanged views on the current international political situation and Nonaligned Movement activities within the framework of agreements reached in Harare.

The minister president of Cuba's State Committee for Economic Cooperqation is heading a delegation participating in negotiations of the sixth session of the Cuban-Yugoslav Mixed Commission for Economic, Scientific, and Technical Cooperation being held in Belgrade.

HASANI RECEIVES NEW AMBASSADOR TO UNITED NATIONS

LD200239 Belgrade TANJUG Domestic Service in Serbo-Croatian 0955 GMT 19 Dec 86

[Text] Belgrade, 19 Dec (TANJUG] -- Sinan Hasani, president of the SFRY Presidency, today received Marko Kosin, newly appointed ambassador extraordinary and plenipotentiary of the SFRY and head of the permanent mission at the United Nations and other international organizations in Geneva. Kosin will leave soon to take up his new post.

LATE REPORT: PARDON REJECTED FOR ARTUKOVIC

LD231355 Belgrade TANJUG Domestic Service in Serbo-Croatian 1324 GMT 23 Dec 86

[Text] Belgrade, 23 Dec (TANJUG) -- The SFRY Presidency, in a procedure initiated in accordance with official obligations -- on the basis of paragraph 3, Articles 5 and 11 of the Law on Pardons -- has adopted a decision rejecting the granting of a pardon to Andrija Artukovic. Artukovic was condemned to death by the Zagreb District Court -- a verdict upheld in the Supreme Court of Croatia and the Federal Court -- for war atrocities against the civilian population and against prisoners of war.

BRIEFS

COOPERATION WITH SOVIET UNION -- Zagreb, December 19 (TANJUG) -- A protocol on cooperation signed by the Yugoslav foreign trade enterprise Astra of Zagreb and the Soviet firm Selkhoz-Promeksport provides for about 240 million dollars' worth of mutual goods deliveries over the next five years. Astra will be delivering to partners in the Soviet Union equipment for the agricultural and food-processing industry, in return for land improvement equipment. Astra's foreign trade turnover this year is estimated at 1.6 billion dollars. Of the sum, about 700 million dollars has been earned by the export of agricultural and food products, various industrial equipment and other goods made by Yugoslav producers. The bulk of the exports goes to the Soviet Union, the Federal Republic of Germany, Great Britain, Sweden, Algeria, Ghana and a number of other countries. [Text] [Belgrade TANJUG in English 0038 GMT 20 Dec 86 LD]

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POLITICAL BENEFIT OF FRG'S GENSCHER VISIT VIEWED

AU191706 Sofia RABOTNICHESKO DELO in Bulgarian 18 Dec 86 p 5

[Unattributed commentary: "Beneficial Political Contacts"]

[Text] The working visit to Bulgaria of Hans-Dietrich Genscher, the FRG's vice chancellor and federal minister of foreign affairs, has ended. In assessing the importance of this event, we cannot fail to note that this was Hans-Dietrich Genscher's fifth visit to Bulgaria and his first visit to a socialist state since that unique peak in international relations marked by the Soviet-American meeting in Reykjavik. Of course, the main criterion for assessing the timeliness and content of the dialogue in Sofia does not solely consist of this, because attention was given to a very wide range of issues concerning bilateral relations and the world situation and, what is more, at the end of a year filled with an intense exchange of delegations and useful visits to both countries. The most important thing is that a frank atmosphere and clear businesslike tone always accompanied the intense exchange of views in the talks between the guest from the FRG and State Council Chairman Todor Zhivkov, Georgi Atanasov, chairman of the Council of Ministers, and Foreign Minister Petur Mladenov.

Bilateral relations naturally formed one of the central topics of the talks. The different aspects of these relations in the fields of politics, economics, culture, science and technology, tourism, and transportation were comprehensively reviewed. The discussion covered not only the achievement, but also the problems, unutilized possibilities, and prospects for beneficial cooperation in all these directions. Particular importance was laid on political contacts and their stimulating effect on all other fields of relations. The mutual view was voiced that meetings of both the foreign ministers and the leaders on the whole spectrum of bilateral links are very important.

The responsible and tense stage which is interrupting the development of world affairs could not fail to be reflected in the regular Bulgarian-West German dialogue, and this only serves to emphasize the importance of this dialogue. Certain differences were unavoidable in the assessments of the reasons for the present situation. However, there is no doubt about the constructive impulse provided by the common view on the dangers inherent in the continuing arms race and about a readiness to work for greater security in Europe and throughout the world. Both sides stressed the great importance they give to the Vienna and Stockholm forums. The useful talks on the issues of nuclear, chemical, and conventional weapons disarmament confirmed that today world politics urgently demand and at the same time reveal a substantial field for an active independent contribution by medium-sized and small states toward continuing and deepening the dialogue between East and West. In this context, prospects are especially opened by the mutual conviction expressed in Sofia that in international affairs there can be no going back to the time before the Reykjavik meeting.

Here we can see the latest evidence of how necessary and beneficial it is to make tireless efforts on a bilateral and international footing for a frank and constructive dialogue. And this pressing requirement exists both in its own right and, at the same time, because states like Bulgaria and the FRG belong to opposing military-political alliances and socioeconomic and political systems.

GREEK COMMUNIST PARTY DELEGATION VISITS

AU172107 Sofia RABOTNICHESKO DELO in Bulgarian 16 Dec 86 p 6

[Text] The meetings of the delegation from the Athens City Committee of the Greek Communist Party [KKE], headed by Dhimitrios Gondikas, member of the KKE Central Committee Politburo and first secretary of the committee, proceeded in a cordial, comradely atmosphere.

The guests were received by the Comrades Pencho Kubadinski and Chudomir Aleksandrov.

They held talks with Anastasiy Donchev, first secretary of the Sofia City BCP Committee, and with other representatives of the Sofia city party leadership; they met Boris Velchev, chairman of the Bulgarian Committee for Balkan Understanding and Cooperation, as well as secretaries of the Komsomol Central Committee; they visited economic institutions, higher educational institutes, as well as cultural and historic sites.

The KKE delegation members were warmly welcomed wherever they went and manifested lively interest in different aspects of our sociopolitical and economic life. The hosts briefed them on the tasks in which the Bulgarian people are now engaged and about our aspirations to achieve a new quality improvement in our economy and in other sectors of our social activities.

The delegation paid this visit to our country at the invitation of the Sofia City BCP Committee.

PROTEST AGAINST UNION RIGHTS ABUSE IN TURKEY

AU231055 Sofia BTA in English 0918 GMT 23 Dec 86

["Against TU Rights Abuses in Turkey" -- BTA headline]

[Text] Sofia, December 23 (BTA) -- In connection with the more than four-year-long trial in Turkey against the leaders and the activists of the Confederation of Progressive Trade Unions (D.I.S.K.), on which the Turkish Military Tribunal is due to deliver a ruling today, the Central Council of the Bulgarian Trade Unions has sent a protest telegram to Prime Minister Turgut Ozal, to the Military Tribunal in Istanbul and to the U.N. Commission on Human Rights in Geneva. The cable reads:

"On behalf of Bulgaria's working people, the Central Council of the Bulgarian Trade Unions expresses indignation over the gross violations of trade union rights and democratic freedoms in Turkey. We urge most energetically for an immediate dismissal of the framed-up case against the leaders and the activists of D.I.S.K. and for an end to the threats and repressions to which they are subjected.

"Joining the just demand of the international community for the absurd charges against D.I.S.K. to be dropped and for its defendant leaders to be acquitted, we insist on the provision of guarantees for the resumption of the confederation's activities and for an end to the persecution of working people in Turkey because of their trade union membership."

HUSAK, FOJTIK MEET WITH MSZMP'S BERECZ IN PRAGUE

LD190339 Budapest MTI in English 2206 GMT 18 Dec 86

[Text] Prague, December 18 (MTI) -- Gustav Husak, general secretary of the Central Committee of the Communist Party of Czechoslovakia and president of Czechoslovak Socialist Republic, met Janos Berecz, secretary of the HSWP CC, in Prague on Thursday. In cordial, comradely talks the parties expressed satisfaction over the development of relations between the two parties and the two countries. They stressed the importance of bilateral cooperation in solving tasks of socialist economic development; deepening socialist international integration, in the struggle for strengthening peace and for disarmament.

Janos Berecz held talks with Jan Fojtik, alternate member of the CPC CC Presidium and secretary of the CC. The parties paid particular attention to the topical issues of ideological work and the further deepening of inter-party cooperation.

SESSION OF BLOC SCIENTIFIC REPRESENTATIVES ENDS

AU231053 Prague RUDE PRAVO in Czech 20 Dec 86 p 2

[CTK report: "Session of FeNTO's Executive Committee Ends"]

[Excerpt] [Passage omitted] The 4-day session of the Executive Committee of the Federation of Scientific-Technical Societies of the Socialist States (FeNTO) ended in Bratislava on Friday [19 December] with the signing of a Final Protocol on the joint course in ensuring the Comprehensive Program of Scientific-Technical Progress of the CEMA Countries. The session was attended by general secretaries of scientific-technical organizations and societies from the People's Republic of Bulgaria. The Hungarian People's Republic, the GDR, the Polish People's Republic, the USSR, the SRV, and the CSSR.

The session noted that the coordinated course in realizing the scientific-technical development of the socialist countries has yielded good results in the computerization [elektronizace] of the national economy, in comprehensive automation, in the development of nuclear energy, new technologies, and biotechnology. The final protocol expresses the endeavor of the socialist countries to deepen cooperation in propagating new forms and methods of work, in raising the technical standard of products and a more economical utilization of raw and other materials and energy. [passage omitted]

Lenart Receives Representatives

LD200603 Prague Domestic Service in Czech 1530 GMT 19 Dec 86

[Text] Jozef Lenart, member of the CPCZ Central Committee Presidium and first secretary of the CPSL Central Committee, today in Bratislava received representatives of the Federal of Scientific and Technical Societies from Bulgaria, Czechoslovakia, Hungary, GDR, Poland, Vietnam and the Soviet Union. In connection with the wide international peace offensive, he emphasized the vital need for the market activation os science and technology workers who have a real idea about the possible consequences of a nuclear conflict. Comrade Jozef Lenart also informed them about progress in the intensification of the Czechoslovak national economy.

REPORTAGE ON SLOVAK NATIONAL COUNCIL SESSION

LD112331 Prague Domestic Service in Slovak 1000 GMT 11 Dec 86

[Editor Ladislav Mikus report]

[Text] The fourth meeting of the Slovak National Council opened in Bratislava today. Speaking at the session right now is Branislav Biros, joint report presenter of the committees. A lunch break will follow. At today's fourth meeting of the Slovak National Council, which was opened and is chaired by its chairman, Viliam Salgovic, the deputies cordially welcomed CPCZ Central Committee Presidium members Jozef Lenart, first secretary of the CPSL Central Committee and Slovak Premier Peter Colotka and, among other guests, Comrade Jan Kolacny, member of the Czech National Council presidium.

At the beginning of the deliberations the deputies unanimously endorsed the viewpoint of the federal Assembly and voiced unanimous agreement with the contents of the declaration of the deputies of the USSR Supreme Soviet to parliaments and peoples of the world for averting nuclear war. Afterwards they started discussing the two main points on the agenda: the government-sponsored bill of the Slovak National Council on the state plan of development of the national economy 1986-90 and the draft bill on the state budget of the Slovak SR for the coming year. The bills were explained by Pavol Bahyl, deputy premier and chairman of the Slovak Planning Commission, and Frantisek Miseje, minister of finance of the Slovak SR. After that the joint report presenters of the Slovak National Council again took the floor.

In the eighth 5-year plan, the creation of national income in Slovakia is to increase by 23-25 percent compared to 1985, which represents growth by one-third more than state-wide growth, while the growth of national income in comparison with the achieved level of the seventh 5-year plan should almost double. This kind of growth, as Comrade Bahyl stressed, requires a further all-round increase in efficiency based on intensification of development. The highest growth in Slovakia is to be achieved by the electrical equipment industry and engineering -- up to 42 percent. The increase in the production of electricity, which, by means of the construction of nuclear power stations in Slovakia, is to reach up to 45 percent of overall production.

Finance Minister Frantisek Miseje said in his address that if the planned aims in the economic sphere are achieved, it will be possible to devote up to two-thirds of expenditure from the state budget and from the budgets of the national committees to the care of citizens in both the investment and noninvestment spheres.

After the break a discussion on the two draft bills will open. So far 12 deputies are to take the floor in the discussion.

CZECH COUNCIL APPROVES 1987 PLAN, BUDGET

LD112332 Prague Domestic Service in Czech 1130 GMT 11 Dec 86

[Excerpt] The fourth meeting of the Czech National Council ended in the Palace of Culture in Prague today. Lubos Lidicky reports on today's deliberations by the deputies:

The second day's deliberations were chaired by Josef Kempny, chairman of the Czech National Council. Also present were ministers of the Czech government, headed by its premier, Josef Korcak. The morning was dedicated to the debate on the second government bill, the state budget of the Czech SR for next year. [paragraph continues]

In its absolute value, the volume reaches Kcs158.1 billion. For our economy to be balanced next year, that is, to have expenditure and income at the same level, it is necessary to strengthen discipline and organization in all spheres. This was noted in the discussion. It is necessary to follow the example of the Prague Appeal, which is oriented toward using intensification factors of development and valorization of all the latest knowledge of science. This means following new paths in a creative way. [passage omitted]

Concluding their deliberations, the deputies approved both government bills -- the eighth 5-year plan and the State Budget for the Czech SR for the coming year.

POTAC NOTES KCS27.3 BILLION FOR DEFENSE IN 1987

AU231058 Prague RUDE PRAVO in Czech 20 Dec 86 p 3

["On the Eighth 5-Year Plan; Svatopluk Potac, CSSR Deputy Premier and Chairman of the State Planning Commission, Answers Questions Asked by RUDE PRAVO and PRAVDA Readers"]

[Excerpt] [passage omitted] J. Konvicka from Krnov is interested in the expenditure for the state's defense and security.

[Potac] Czechoslovakia, like the other socialist states, fully supports the peace initiative and the peace endeavor of the Soviet Union, whose positive results could substantially cut down the expenditure for armament. In the law on the state budget, the Federal Assembly approved Kcs27.3 billion for defense and security. This is 3.1 percent more than 1986, this being a slower rate of growth than that of the planned dynamism of the creation of national income, and the same as of the dynamism of used [uzity] national income. [passage omitted]

LENARI CHAIRS SLOVAK NATIONAL FRONT CC SESSION

LD152242 Prague Domestic Service in Czech 1730 GMT 15 Dec 86

[Text] The Central Committee of the Slovak National Front met in Bratislava today about the contribution of the bodies and organization of the National Front of Slovakia to the working out and implementation of the resolutions of the 17th congress of the CPSL.

The session was chaired by Comrade Jozef Lenart.

The Presidium of the Central Committee of the Slovak National Front released Fedor Gulla from the office of deputy chairman at his own request in connection with his retirement. Daniel Futej was elected a new deputy chairman.

The report said that the recent 4th session of the CPCZ Central Committee and the session of the Central Committee of the CPSL are important stimuli for the work of the National Front of Slovakia and that in our time, increased attention must be paid to the fulfillment of the tasks of this year's plan and the mobilizaton of the working people for a good start next year.

PRESIDIUM, TRADE UNIONS DISCUSS TASKS OF 1987

AU111158 Bratislava PRAVDA in Slovak 10 Dec 86 p 8

[CTK report: "Meeting of the Czech SR's Government Presidium and the Presidium of the Czech Trade Union Council; Trends of Developing Initiative Were Set"]

[Text] Prague (CTK) — A joint session of the Presidiums of the Czech SR Government and the Czech Trade Union Council [COR] was held in Prague yesterday [9 December]; it was conducted by Josef Korcak, premier of the Czech SR, and by Vaclav Bezel, COR chairman.

The agenda included setting the specific trends of developing the working people's initiative in order to ensure the tasks of the 1987 plan for the Czech SR. Also discussed were the tasks of the Czech SR agencies which follow from the conclusions adopted by the joint session of the CSSR Government Presidium and the Secretariat of the Central Trade Union Council (URO), which was held on 24 November 1986. Furthermore, the session assessed data on the evaluation of the situation in the development of the URO Initiative; the appeal of the Prague plants; and the implementation of the brigade form of labor organization and remuneration. Specific tasks were set for the agencies of state administration in the Czech SR with regard to the above issues.

The document adopted by the session proceeds from the measures adopted by the government and the COR Presidium in October 1986, which defines the basic orientation of the further development of initiative in the Eighth 5-Year Plan.

The document stresses the need for a most specific and differentiated elaboration of the trends of developing socialist competition, the innovators' and improvers' movement, comprehensive rationalizaton brigades, and the movement of socialist labor brigades. The great significance of adopting collective pledges was also pointed out. One must fight any and all manifestations of formalism in adopting team and individual pledges in the individual enterprises, plants and working places.

The Czech SR Government Presidium and the COR Presidium support the conclusion of the Fourth CPCZ Central Committee Session that all the political, social, material, and intellectual conditions for achieving the goals set by the 17th CPCZ Congress have been provided.

The main thing now will be to have managers, together with trade union agencies at all management levels mobilize the working people and make full use of our possibilities for the regular fulfilment of the tasks planned for 1987, and for their overfulfillment in the desirable directions.

NUCLEAR PLAN 3D BLOCK IN ACTION 11 DAYS EARLY

LD221157 Prague Domestic Service in Czech 1100 GMT 22 Dec 86

[Text] The trial operation of the 3d block of the nuclear power plant in Dukovany has begun 11 days ahead of the target day. The builders of this project, with effective assistance from Soviet specialists, have speeded up by 3 days the fulfilment of their combined socialist pledge. A report presented to Vladimir Herman, candidate member of the CPCZ Central Committee Presidium and the chief secretary of the South Moravian Regional Party Committee, in Brno today said that the nuclear power plant in Dukovany had fulfilled the state plan for electricity generation already on 5 December and that it would generate at least 550 gigawatthours above the planned target by the end of the current year.

DAILY COMMENTS ON USSR NUCLEAR TEST MORATORIUM

AU231429 East Berlin BERLINER ZEITUNG in German 20-21 Dec 86 p 5

[Hartmut Kohlmetz Commentary: "Another Appeal to Reason"]

[Text] For 1 and 1/2 years the Soviet test sites for nuclear test explosions have been lying quiet. Scientists from the USSR and the United States have confirmed this beyond doubt by joint on-site inspections. Regardless of worldwide demands to follow the Soviet Union's example, including the six-state initiative and the nonaligned summit, Washington has carried out 20 officially announced and 4 unannounced nuclear tests in the Nevada desert during these 1 and 1/2 years.

Nobody seriously expects the Soviet Union to exercise endless unilateral restraint in view of the constant American explosions. After all, the experiments in the Nevada desert are not being carried out with harmless pyrotechnic requisites; there is a feverish attempt to achieve military supremacy over the Soviet Union and over socialism in general. It is by far no longer a question of testing new nuclear warheads -- which would, after all, be dangerous enough -- but principally of developing new kinds of weapons within the framework of the SDI Star Wars program. The best-known project is the nuclear-pumped X-ray laser, which confronts us with the dangerous prospect that one day hundreds of armed hydrogen bombs will be in orbit above our heads.

A few days before the expiration of the unilateral moratorium on all nuclear tests -- which was imposed on 6 August 1985, prolonged several times, and finally limited to the period ending 1 January 1987 -- the USSR Government has again appealed to the reason of those ruling in Washington. Although the U.S. reaction to date gives little hope for coming around, the Soviet Government has stated:

First: The USSR continues to be ready for immediate negotiations on a total nuclear test ban, no matter in which body, or in which forum. It is also ready for step-by-step solutions, for instance, for limiting the number and strength of the test explosions if the 1974 [date as published] Three Environment Treaty [Dreimedienvertrag] and the 1976 treaty on peaceful nuclear tests are ratified.

Second: The USSR will also stick to its unilateral moratorium beyond 1 January 1987. However, after the first U.S. nuclear explosion next year, it is forced by its own security interests to resume the test series which was interrupted 1 and 1/2 years ago.

Third: If the United States halts its nuclear tests, the Soviet Union will be ready to halt its test program at any time on the basis of reciprocity.

This is a fair and constructive offer to the leadership of the state which has exploded more nuclear devices since the beginning of the nuclear age than all other four nuclear powers together. It shows the Soviet Union's indomitable will to do everything so that nuclear tests are totally halted, progress is made in nuclear arms limitation, and mankind is finally freed from the scourge of nuclear arms.

The Soviet Union has done what it could in the present situation, the actions were unilateral. Now the other side has to react with more than just words.

BEIL MEETS WITH ITALY'S PRIME MINISTER IN ROME

AU221323 East Berlin NEUES DEUTSCHLAND in German 18 Dec 86 p 1

[Text] Rome (ADN) -- During his meeting with Prime Minister Bettino Craxi, Dr Gerhard Beil, GDR foreign trade minister, conveyed cordial greetings from Erich Honecker, general secretary of the SED Central Committee and chairman of the GDR State Council. The Italian prime minister in turn requested that Beil thank Erich Honecker for the message conveyed to him and to reciprocate the greetings with equal cordiality.

During the meeting, which took place in an open-minded and constructive atmosphere, the two interlocutors expressed their conviction that continuing the political dialogue and the comprehensive deepening of cooperation constitute a valuable and necessary contribution to improving the international climate and to securing peace.

They agreed that the meeting between the leading representatives of the USSR and United States in Reykjavik has shown that solid compromises can be found if there is goodwill on both sides. The special role and responsibility of the European states was underscored in this context.

Prime Minister Craxi appreciated the positive development of bilateral relations between the GDR and the Italian Republic which, following the meetings with the general secretary of the SED Central Committee and chairman of the GDR State Council in 1984 and 1985, have received new incentives.

In doing so, he particularly expressed his great respect for the increase in the foreign trade volume between the GDR and Italy that has been noted in 1986. Prime Minister Craxi voiced the conviction that this successful development will also be continued in 1987 by means of a further deepening of economic relations.

The interlocuters stressed that by further developing these relations, a constructive contribution is made to the deepening of East-West dialogue and to cooperation in Europe. In the talks, the desire of both sides was underscored to jointly support deeper economic relations as an important component of overall relations through appropriate steps, which were the subject of negotiations with representatives of the Italian Government and with economic quarters.

Participating in the talks were Dr. Wolfgang Kiesewetter, GDR ambassador to the Italian Republic, and Carlo Albertario, ambassador of the Republic of Italy to the GDR.

DEPUTY FOREIGN MINISTER SPEAKS AT UN SESSION

LD202059 East Berlin ADN International Service in German 0240 GMT 20 Dec 86

[Excerpts] United Nations/New York, 20 Dec (ADN) -- The 41st UN General Assembly ended its 3-month session on Friday. [passage omitted]

On behalf of the socialist states, Harry Ott, GDR deputy foreign minister and permanent UN representative, stressed at the concluding session the great significance of a strong and effective United Nations, which must contribute to averting the danger of a nuclear inferno, to ending the arms race on earth, and to preventing it in space. The priority of these questions for the survival of mankind had also been clearly stressed at the meeting in Reykjavik. It was now urgently necessary in the United Nations, too, to strengthen the policy of a results-oriented political dialogue and the creation of a worldwide coalition of reason and realism.

1987 GOODS EXCHANGE PROTOCOL SIGNED WITH USSR

LD172314 Budapest MTI in English 1937 GMT 17 Dec 86

[Text] Budapest, December 17 (MTI) -- Foreign Trade Ministers Peter Veress of Hungary and Boris Aristov of the Soviet Union signed the Hungarian-Soviet goods exchange protocol for 1987 in Budapest on Wednesday.

The protocol envisages exchange supply of metalworking and forging-pressing equipment, electronic goods, vehicles, farm machinery, and other products. There will be a major increase in Soviet car deliveries, the exchange supply of consumer articles, and the export of Hungarian farm machinery, equipment and materials. Soviet deliveries are to cover a major part of Hungary's demand for fuel and raw materials, for instance, oil, natural gas, metals, non-ferrous metals and cotton.

It is the first protocol to envisage deliveries and services to promote direct production cooperation between Hungarian and Soviet companies and organizations. The protocol also envisages the supply of goods and services required for the implementation of the complex scientific and technical programme of the CMEA countries until the year 2000. Under the agreement the USSR will supply natural gas in the long term, and Hungarian companies will be involved in the construction of the gas industrial projects in the Soviet Union.

Present at the signing ceremony were Jozsef Marjai, deputy prime minister, Laszlo Ballai, head of the Economic Policy Department at the HSWP CC, and Boris Stukalin, ambassador of the Soviet Union to Hungary.

CHURCH SHOWS CONCERN FOR MINORITIES IN ROMANIA

AU231713 Vienna DIE PRESSE in German 23 Dec 86 p 2

["P.M." report: "Hungary's Churches: 'Concern and Fear' for Minorities]

[Excerpts] Vienna/Budapest -- "Our hearts are full of concern and fear": That is how Hungary's churches comment on the fate of the Hungarian minority in Romania. An official statement on the situation in Transylvania says: "We receive unfavorable news and experience incidents that are sad for us personally..."

The critical tones are incorporated into a long-winded analysis, which particularly stresses the positive tendencies in the relationship of Hungary's churches to the believers outside the Hungarian borders. It even points to "brotherly contacts" with the Romanian Orthodox Church and the other religious communities in the neighboring country: "It is our conviction that they share with us the responsibility of bearing the respective burdens and of pacifying the areas [Befriedungsdienst]."

With this a diplomatically balanced formulation has been found, which is acceptable to most religious communities of the Ecumenical Council of Hungarian Churches. The initiative for this declaration came from 1,343 believers, who had suggested that a joint pastoral letter be read in all churches at Christmas.

The Catholic Bishops Conference has announced its intention to make a similarly "conciliatory" statement. [passage omitted]

JARUZELSKI 1 DEC INTERNATIONAL NEWS CONFERENCE

AU090501 Warsaw RZECZPOSPOLITA in Polish 3 Dec 86 pp 3-5

["Transcript" of news conference given by State Council Chairman Wojciech Jaruzelski to foreign journalists in Warsaw on 1 December -- first paragraph is paper's introduction]

[Text] As we have already reported, Wojciech Jaruzelski, PZPR Central Committee first secretary and State Council chairman, invited the participants of the Jablonna 6 international journalists' forum -- journalists from 26 countries in the East and West, together with foreign correspondents permanently accredited in Warsaw -- to the office of the Council of Ministers following the conclusion of the forum. Here is a transcript of this meeting:

Marian Podkowinski [chairman of the forum]: Ladies and gentlemen, I hereby open the meeting between PPR State Council Chairman Wojciech Jaruzelski and the participants of the Jablonna 6 international journalists conference.

Mr Chairman, the Jablonna 5 meeting ended exactly at the same time 2 years ago. At the end of a news conference like this one today you asked when the next Jablonna conference would take place. I replied that it would take place in 2 years' time. You said that in that case you would meet with us. And we have all kept our word -- we the organizers and the numerous participants.

Our conference lasted 3 days and we had very interesting talks. Now we are all waiting for the chance to meet you, Mr State Council Chairman. I now hand it over to you.

Jaruzelski: I warmly welcome all our guests. I say with satisfaction that I have more and more acquaintances in this hall as a result of the Jablonna 5 meeting and also as a result of numerous other contacts.

This allows me to express a very personal observation. I see ashtrays on the table. The Polish Antinicotine Society has declared 1 December a cigarette-less day. Most of the people in this hall are foreign citizens, so I do not think we will adopt too rigorous an approach toward this matter. Please act the way you feel like acting; the most that will happen is that you will fall foul of the Polish Antinicotine Society.

Journalists meetings have become regular occurrences in Poland. They have become a platform of businesslike dialogue and exchange of views. They remind us that the CSCE is still a lively political-ethical sphere, and not something that merely deserves to be forgotten.

This really seems important to me. Perhaps it would have been banal to say this 10 years ago. Today, however, at a time when the international situation is deteriorating, there are not so many places and communities where authentic dialogue is taking place as did then.

Let me say the following against this background. One of the principles of dialectics says that quantity is turned into quality. Years ago, the distinguished Polish scholar Tadeusz Kotarbinski said that a lack of quantity may also turn into quality. This apparently paradoxical formula is something of great interest not only to philosophers, but also to politicians and, I think, to journalists.

Mankind is experiencing an era of sharp conflicts but also of growing interdependence. Of course, there have always been divisions and conflicts, but mutual interdependence on a world scale is no doubt a product of our times.

Our party program that was adopted at the 10th congress contains the statement that no present system is able to solve important contemporary problems on its own -- capitalism is no longer able to do so, and socialism is not yet able to do so.

The chief differences of the modern world possess an objective nature. However, this does not mean that they must turn into a political or, even worse, a military confrontation.

What is more, differences may and should give rise to progress. They should animate society and pave the way to fruitful thinking. Conflicts between ideas and systems of value are important for the development of knowledge and culture among various societies, and, therefore, for mankind as a whole.

Here the point is not that we all should alter our ideological-political faith; let everyone remain faithful to his beliefs. However, there is one common belief that we should have -- the necessity to preserve peace.

A dozen or so years ago, an American writer said that honest people may differ in their views on all possible subjects except one -- genocide. He had in mind the war in Indochina. I think the essence of this can be applied to today's situation as well.

Today, one can feel a growing need to take a new, sharper look at the question of war and peace.

Please let me make a certain disgression here.

I hear that various Western circles think that Warsaw criticizes some governments and politicians too much.

Let me refer to the first postwar years. In the summer of 1945, immediately after the war, in the half-destroyed National Museum in Warsaw, there was an exhibition entitled "Warsaw Accuses." I have been told that near the entrance, on a floor pockmarked with shells, there lay an old book that had been burned to a cinder, one of the treasures of our culture irrevocably destroyed by the invader. The exhibits and photographs in this exhibition made a really shocking impression. A similar view was expressed by General Eisenhower, then commander in chief of the Allied Forces in Europe and later U.S. President, who visited Warsaw in 1946.

So if Warsaw, is today once again making accusations, this is in reference to the thoughts evoked by that exhibition 41 years ago. And that is the only nature of our warnings against a new war, following which they would neither be a Warsaw nor any capital city whatsoever, and certainly not in Europe.

I see no exaggeration in the oft-repeated statement that mankind has reached the crossroads of its history. Modern military technology has reached the heights of perfection, but, on the other hand -- and let us say this clearly -- it has reached the depths of absurdity, manifested in an ability to destroy thousands of lives in one go.

To this is added the dangerous dependence of powerful weapons on a huge quantity of various mechanisms out of man's control. As a result -- the Challenger disaster, that of Delta and Arianne [as published] numerous false early-warning alarms, and so on and so forth.

The situation is therefore serious, very serious.

People must, above, realize what a modern war would look like, especially in Europe. Everything we know for certain about the effects of mass-destruction weapons not only exceeds the scenario of the American film "The Day After" or the Soviet "Letters From a Dead Man," but also the entire knowledge and imagination of the average inhabitant of the earth.

In a certain sense, one can even say that an apocalypse in installments has already commenced. World armaments costs have exceeded thousands of billions of dollars a year, and this would be a modest sum if one transferred military rivalry to space.

Or let us look at the constant underground nuclear detonations. This is not at all the environmentally harmless business that it seems. Experts believe that any such detonation may cause a chain of earthquakes, even in distant regions. Geological layers up to hundreds of meters deep are subjected to contamination. This may be transported by underground springs and poison the groundwater of huge areas. And, if in addition to all this, one makes the wrong physical calculations -- and this has already happened during a French nuclear test -- then a nuclear explosion may throw a considerable quantity of radioactive dust into the atmosphere. That is already the extent of the danger today. What can one say about tomorrow, in the face of the prospect of enormous space construction that, no doubt, will have to be equiped with nuclear power plants?

Marx produced the following memorable saying: "An idea which penetrates the masses becomes a strong material force." I think the non-Marxists in this hall today will agree that if an awareness of the need to preserve peace penetrates the masses deeply, it will become a force of considerable material power.

There is great scope of activity for journalists here.

For no other professional group could perform the role of spokesmen for peace and "reconnaissance men for detente" so effectively, as the Finnish journalist Mr Jarmo Makela said on Polish television yesterday. Working at the point of contact between politics and public opinion and possessing numerous personal contacts in various countries, you may indeed pave the way toward and inspire the difficult art of talks between heads of state, politicians, and diplomats.

Here one may see a ray of hope for the continuation of peace and for victory by realism.

We discussed the outcome of Reyjkavik at the recent Moscow summit.

The stance presented by Mikhail Gorbachev in Iceland is far-sighted, bold, and honest. It gives mankind a historic chance. I also regard it as a symbolic reference to the Leninist peace decree, the 70th anniversary of which happens to be approaching. Poland supports this stance. It completely agrees with our national interests, historical experience, and our vision of -- how can one put it? -- a more humane world.

I will have the opportunity to give more detailed replies to questions from you, ladies, gentlemen, and comrades. [paragraph continues]

So, for the time being, I will restrict myself to saying that the Poland you are presently visiting is a different country from the one that caused such interest and passion on the threshold of 1981 and 1982. It is also different from what it was at the time of the Jablonna 5 conference.

Of course, every politician, including myself, is in danger of excessive attachment to solutions in which he himself participates. I realize this fully, especially because we in Poland possess a well-developed public opinion research system and have a fair impression of our society's moods, views, concerns, and hopes.

That is why I do not intend to boast that all our greatest troubles are already behind us. However, right now they do possess a different quality.

We have achieved a considerable degree of social stabilization. We have developed, often in an original way, institutions of socialist democracy already in existence and created entirely new ones.

However, at the end of this meeting, I would like to ask you one thing: to agree with me that just as an understanding of the present state of East-West relations requires independent thinking and a particular feeling of responsibility, so too does a rational and, therefore, a real picture of Poland not fit into any stereotyped image.

We Poles cannot be understood without an understanding of our history. We quarrel on practically everything, but, as far as supreme issues are concerned, we are capable of accord. The past 5 years are the best proof of this. I could quote all kinds of disastrous forecasts which have not come true, and all kinds of assurances that only cause their authors embarrassment today.

All this has come to pass because socialism, despite various errors and weaknesses and despite various simplified views, has taken firm root in our society. This is what we have in mind when we talk of the irreversibility of the changes made over the past 5 years.

Right now I would like to proceed to what we may call the second part of our talk, our meeting.

I have received many, very many questions from you, as many as 500. They cover a broad range of topics. They vary from very general problems right up to very detailed issues.

Of course, I will not be able to give an exhaustive reply to every question. Even so, we are faced with a certain "marathon," but it is you who have cooked up this fate for yourselves by addressing so many questions to me. But, seriously now, some of the questions are repetitive. This allows a certain generalization and a common reply.

I will start with international topics.

As many as 10 questions deal with security and the consolidation of peace on our continent. A few refer to the phrase about the need to "Europeanize Europe," which I used in my recent speech in Zielona Gora.

Mr Peter Bender, representing the WRD radio station in West Berlin, asks straight out what I mean by this phrase. On the other hand, Comrade Aleksey Grigoriyev from TASS asks whether I actually notice any tendencies toward the Europeanizaion of Europe and also what the PPR's contribution to this process might be.

Let me explain that by this expression I mean, above all, that the time has come to take a considerably broader and more comprehensive look at general European topics, and not merely in the context of this or that issue. When I speak about Europe, I mean, of course, all the signatories of the CSCE Final Act.

We have already had a number of Europes since the war -- Hallstein's Europe and De Gaulle's Europe, a Europe of the 6 and Europe of the 12, a "better" Europe and a "worse" Europe. There are three economic organizations and two military alliances. That is a lot for such a small continent. Recently, it began to appear as if part of the Old World might indeed become a provincial backwater, for we are hearing more and more about the "civilization of the Pacific."

Europe has been a most sensitive political seismograph of tension between the United States and the Soviet Union and of East-West relations in general, and will remain one for a long time yet. It fares worse in this tension, anyway.

Therefore, for all Europeans, regardless of the political system of any country, it is of the greatest objective value to stabilize this most sensitive part of the globe. Its sensitivity could be seen during the heightening of the Polish crisis. The hopes for political capital out of our crisis have gradually, though not everywhere, given way to fear for the loss of peace, threatened by the possibility of further destabilization in Poland.

With today's means of transportation and communication, the geographical proximity of European countries is not so decisive an argument as it was in the past. However, there still exists a certain social and cultural quality which, in our view, should not share the fate of the mythical Atlantis.

As far as the nations of central and eastern Europe are concerned, they really do not have any historical reason to feel that they are intruders here. It is with amusement, unfortunately, that we view the missionary-like zeal of some politicians who would like to civilize, enlighten, and convert the "jungle" beyond the Elbe River and teach the people there to use not so much a computer as a knife and fork.

It is difficult not to notice that the subject of Europe's revival and renaissance has encountered growing interest recently. It has been raised both by Mikhail Gorbachev and by Pope John Paul II; it has been discussed by communists and representatives of center parties, social-democrats, and the most cautious conservatives. Evidently it is assuming great topicality.

Of course, there are voices who only take European unity to mean a Europe-wide unification of anticommunists or, more often, the freedom for everyone to imagine himself a Colonel North to act with impunity. But I am not talking about these people here.

Unfortunately, the processes of mutual isolation and distancing in both parts of the continent have become a permanent feature.

The Eastern part of Europe is making a great effort at broadly-conceived reconstruction and acceleration. I would caution you not to underestimate this phenonenon or its scale, especially the Soviet Union's and the socialist countries' chances of economic and technological development. [paragraph continues]

Such calculations have already turned out to be painfully unrealistic several times in the past. Let me quote the first sputnik as an example.

On the other hand, as a result of this very process of isolation, the Western part of Europe is facing its greatest "challenge" since the war. Thinking that voluntary participation in SDI may make Western Europe more important is mistaken. However, here, I am impinging on a complicated and controversial topic, one deserving more exhaustive discussion for which I fear we will not have enough time today.

Most of all, our Polish understanding of European politics is clear. Thinking about the Roman and Greek sources of our civilization, of which Marxism is an integral part, will not take the place of concrete political, military, and economic activity designed to build a basis of mutual confidence instead of mistrust, coexistence instead of confrontation, and cooperation instead of competition, which may be mutually harmful in the long run.

To close this topic, I myself would like to ask a question -- is it not too late to try and "Europeanize Europe", and is it at all worth protecting something that is a closed historical chapter for many countries and which is often only remembered with bitterness?

It seems to us, in Poland, that it is worth protecting some things and that seeking a common denominator of European identity does not signify tilting at windmills. However, we do not know the answer to the question of whether it is too late. Only the next few years may supply it.

An entire series of questions concerns regional disarmament initiatives in Europe.

Mr Peter Bender asks: To what extent is the Rapacki Plan still valid? Would Poland be ready to join a chemical weapons-free zone as proposed by the SPD and SED? Mr Dettmer Cramer from the West Berlin RIAS, referring to the SED and SPD idea of a nuclear-free zone and these parties' initiatives concerning a chemical weapons-free zone in central Europe, asks whether it would be desirable for both Poland and the CPCZ to join these initiatives. In turn, Comrade Franz Knipping from NEUES DEUTSCHLAND asks what today's projects that are similar to the Rapacki Plan are worth, and what is Poland's position vis-a-vis their eventual realization.

I spoke at length about the Rapacki Plan at the previous conference 2 years ago. We Poles are pleased with the topicality of this initiative that was formed in Warsaw. But it saddens us that so many years had to elapse before its values and unprecedented nature were universally recognized. Let me reiterate: The history of the Rapacki Plan and Gomulka Plan is more than anything else a history of a lost opportunity.

Poland never abandoned the Rapacki Plan. The recent lively discussion about planned nuclear weapons and armaments-free zones and corridors in Western Europe confirm the correctness and far-sightedness of that plan and show that the Plan was a way of consolidating peace and security on a regional scale.

At the same time, I wish to express full support for the SED and SPD project concerning a nuclear weapons-free zone in central Europe, the CPCZ also being involved in its formulation. We also express our interest in the plans for nuclear-free zones in Scandinavia and the Balkans. However, for understandable geographic, military, and political reasons, we are particularly interested in the reduction of conventional arms and armaments in Europe.

As far as ridding Europe of chemical weapons is concerned, you know that there have been talks on this subject for a long time. However, I regard any new initiatives in this sphere as very useful. We will back them.

Three questions concern Soviet-American relations. Mr Jan Otto Hauge from Norway asks whether I believe that Reykjavik was a step toward disarmament, or whether I believe that it was just another meeting which will not bring any process concerning our common safety. Comrade Kolinishchenko, representing PRAVDA, asks: What tasks does Europe face concerning the renewed possibility of radical nuclear disarmament since Reykjavik? Could it come true? However, Mr Stephen Thomas from the FRG phrases the issue somewhat differently, asking what role do I think European countries should play in building mutual confidence at a time of nuclear threat and at the present stage of Soviet-American dialogue.

Strategic militry parity between the United States and USSR has reached a stage of full maturity. One may say that it has become clear. It is this that has enabled Mikhail Gorbachev to present, in Reykjavik, the unprecedented proposal of a total accord based on maximum bilateral concessions concerning main issues, without the search for arithmetical formulas and without any asymmetrical "sublevels," "additional equilibrium," or any other secondary issues like this.

With this kind of approach, accord was possible in every issue. But it is SDI which blocked it. And regardless of the present tactics of the American Administration, which is trying to erase the real purpose of Reykjavik, everything that happened in the Icelandic capital confirms the reality of breaking the deadlock in disarmament talks and confirms the correctness and purpose of the search for radical solutions on a broad scale. And in this sense, Reykjavik was no doubt a greatly positive and important event.

But why was no accord reached?

Much can be explained by the nature of American domestic policy, the stanglehold of the military-industrial complex, and the complexity of the American decisionmaking processes. I think I know the way the Soviet leadership thinks and know that it takes these considerations into account and that it wishes to facilitate and not obstruct realistic trends, for such trends do exist among the Americans, who are pragmatic by nature. I will say more -- none of the eight postwar American Presidents has been so close to permanent and mutually advantageous accord on a really historic scale, an accord that was literally a hair's breadth away. Compared to this accord, the talks between specialists that have been dragging on for years look like playing with toy bricks.

Nothing, literally nothing, can explain or justify the vacillation, evasion, and excuses concerning such an important and fundamental issue for mankind as a halt to the arms race.

I have read somewhere that there is or was a quite macabre game played by American teenagers called "chicken game" [last two words in English]. Two automobiles were driven toward each other at great speed. The first player to swerve and avoid a head-on collision received the rather contemptuous name "chicken." The logic of the present situation is similar -- two trains travel toward each other and a head-on crash is imminent. But here the difference is that one engineer applies the brakes and the other continues to accelerate. How long can this continue?

And what are Europe's tasks in this context?

It is obvious that strategic Soviet-American dialogue is not taking place to the exclusion of Europe. Many of us come from countries where there are missiles aimed at the "other side." The climate of U.S.-USSR dialogue affects its results, and this climate is to a major extent created by all the protagonists on the European stage. The climate may be improved by means of concrete action, but it may also be interfered with. One may regard it as a great and perhaps last chance for Europe -- but one may also accelerate a "move" of London or Hamburg to California's Silicon Valley.

As far as Poland is concerned, we do not intend to "move" to the Pacific.

Another question concerning military detente in Europe was asked by Comrade Vikentiy Matveyev from IZVESTIYA: "Following the success of Stockholm 1, how do you view the prospects for Stockholm 2 and the possibility of real action aimed at European disarmament, especially concerning conventional weapons?"

The Stockholm conference did indeed end in success. Its primary objective -- concrete steps aimed at building confidence between CSCE states from the Atlantic to the Urals -- has been achieved.

The Stockholm document is the first military accord between East and West since 1979.

Here, I wish to tell you that the appropriate bodies in our country, including the National Defense Ministry, have commenced preparations for the performance of tasks set by this accord. Poland will fully discharge all of its Stockholm commitments.

As far as the second stage of Stockholm talks is concerned, I believe the present situation encourages it. The June session of the Warsaw Pact Political Consultative Commission has provided a good point of departure for it. The session presented a far-reaching conventional weapons and armed forces reduction on our continent. This creates a new chance for radical progress in this sphere. Our proposals are flexible. One topic for discussion, for example, is whether to convene a new Europe-wide disarmament forum, or use existing platforms. Protocol is not important; it does not matter who is first or who is more important. Only one thing matters -- to break this vicious circle and proceed.

Comrade Sergey Golyakov from NOVOYE VREMYA asks what I think of the U.S. violation of the SALT II treaty.

The correct answer is 2,000 years old, because the Romans already noticed that treaties are concluded so that they may be observed.

To be serious, we received this decision with indignation and concern. Myopia is a dangerous adviser in politics. The greater the responsibility, the more dangerous it is.

I wish to point out the following three circumstances.

First, the restriction and control of armaments must possess internal logic. It may not be disrupted with impunity, just as one cannot exclude buses from driving on the right of the road and let them drive on the left.

Second, when one considers the point in time in which this irresponsible decision was made, one may gain the impression that the manufacturers of bombers have panicked and are afraid of a fall in demand for their products.

If such a decision is made soon after Reykjavik, it is not just to deliberately aggravate one's partner. There are two ways of playing chess. The first method involves moving the pieces. The second involves upsetting the board if complications arise.

Third and last, what is striking about this decision is the provincial attitude toward the USSR. It is a pity that no trouble has been taken to learn the history of this country. Moscow has never been frightened of something before. I have reason to suppose that this time too there is no point in expecting it to be frightened. We certainly have enough desire and strength to prevent the balance from being upset.

The second part of Comrade Golyakov's question concerns our Vienna stance whereby every CSCE state should ratify the human rights pacts and other international instruments concerning this topic.

Human rights has indeed become one or the loudest features of CSCE, although we do not think that the reality in Europe indicates such a need. I could easily mention other parts of the world where our Western partners are making, to put it delicately, somewhat reticent and cumbersome moves (I will mention at least the attitudes toward Chile, the Republic of South Africa, and other "oases" of democracy and freedom like these).

I do not mean to say that there is no need to talk of human rights. A measure of the socialist countries' intention in this regard is the recent Soviet proposal to organize a meeting of CSCE experts on the subject of humanitarian problems.

We believe that as human rights have adopted such an important position, everything should be done in order to avoid excessive demagogy and cheap, dull propaganda around this topic.

There is a sense in having talks only when they are businesslike. In order for them to be businesslike, we should define the limits of the area in which we operate. These limits are defined in a series of international agreements on various topics, but they possess one common characteristic; they clearly formulate the principle of independently solving one's domestic problems.

Apart from this, it is probably not unjustified for us to ask what legal or even moral right do some Western states have to behave so brashly as teachers when it comes to human rights? The reality of life undermines the truth of some of their declarations. It is not in Poland that there are tens of millions of people deprived of the right to work; it is not in socialist countries that there is a Berufsverbot [last word, meaning occupational prohibition, in German], and it is not east of the Elbe River that the kind of witch-hunts present inside the American trade unions are organized.

I wonder what you would write if we had as many dead as there have so far been claimed by the Northern Ireland conflict or if we asked our trade union functionaries to take oaths on ideological loyalty. But let us ignore these subjects, because it would be too easy to polemize about them.

We want to discuss these subjects seriously and to reach accord as well. But it is really difficult to talk about them, as in the case of the United States, which seems to know everything better than we do, but which has still not ratified a single convention out of the 19 international conventions on human rights, including the most important one of them.

Now for the question that should have been asked a little earlier because it bears directly on the conclusions stemming from your meeting. Comrade Bernd Aischmann from GDR Radio asked this question: "The Jablonna meeting has once again demonstrated that journalists can play an important role in the struggle for peace and international cooperation. What can and should journalists do to protect the world against the danger of the nuclear mushroom, an expression you used at the trade union congress?

I did tell you in my preliminary remarks how I view the responsibilities of journalists, but I think I should expatiate.

Allow me to refer to a personal experience, which is still a source of astonishment to me. Last year, I was in New York for the first time in my life. On that very occasion, an American daily reported that most students of one of the universities — I think North Carolina University — did not know where the USSR is situated. Of course, I do not wish to assert that geography should be the most important subject in all countries, but I do think that this little incident, which has impressed me so much, hints at a real problem of this world. This problem amounts not only to an "information eclipse" as our Krzysztof Toeplitz wrote in his most recent book. It amounts to a typical castration of knowledge about the world as it is and to a catastrophic absence of elementary information. Not inconsiderable sections of some Western societies are often without elementary knowledge about the socialist countries and are constantly surprised when they at last discover that we have a parliamentary system, courts of appeal, workers self-management bodies, active churches, and even night clubs. Yes, some people are really surprised that we have night clubs, but I do not want to claim that our clubs are the best ones.

Recently we have been able to observe a curious paradox: The more "open" the socialist countries become and the more frankly we speak about our own domestic problems and about our plans in the international arena of relations, the more watertight the "curtain of silence" becomes in certain countries and the more often hackneyed platitudes are substituted for political thinking.

This phenomenon assumes different forms in different countries, and there is no doubt that our views about the causes of this phenomenon are also different. But there is no way of denying that this phenomenon is there.

In the old days children were made to fear witches in order to behave. Today communism, the Kremlin, "the threat from the East," and so on are used to frighten adults. I do not know whether you share my view, but I think that the intensification of this primitive indoctrination through fear is often directly proportional to the state of unemployment, social conflicts, and so on.

In this situation the role of journalists — actually of the mass media, the policy of which is always determined by professional journalists — increases out of all proportion. We suffer from no special complexes and, if I may say so, we have gotten used to biased information and unfriendly commentaries. That is why I ask you not to interpret my words as a desire to improve our image in the eyes of the Western public. I said at one time that running the government is no beauty contest, and this is even more true of the real rivalry in a world of class, ideological, and economic conflicts.

However, I have in mind an area which all European nations want to be expanded. The point is that all the elements that can promote and facilitate mutual understanding should be rescued from the "information noise" and from the flood of more or less crucial details. Every day, I read summaries of the reports and commentaries carried by the chief mass media in the West and I am unable to claim that they inspire me with optimism. I also read the Soviet press and continue to note profound changes in it, which makes me think that various hackneyed schemes, which have existed for too long a time, have been reversed.

Let me now discuss a large batch of questions on Poland's bilateral relations with various countries. As many as three questions concern Polish-American relations, which is no doubt quite natural in this company. I will cite them in full.

Mrs Christina Runge, HORIZONI, GDR: Last November, for the first time since 1981, Polish-American talks were held at government level. What expectations did you have with regard to lifting U.S. economic restrictions and improving political relations?

Mr Peter Kendall, CBS News, the United States: How would you describe Polish-American relations and how can they be improved?

Comrade Valentin Zorin, Soviet Television: Washington continues to apply economic restrictions against Poland. Are any changes possible in this area and in which direction?

I will reply succinctly since I do not think that I have anything particularly new to say at the moment that could be used for a report on the front pages of newspapers or in television newscasts. The first specific talks with representatives of the U.S. Administration have begun, which is the only information I can give you. It is natural that it is bad for diplomatic negotiations to be given too much publicity too soon.

The basic obstacles that continue to hamper the normalization of Polish-American relations are common knowledge, and nothing has changed in this regard. I have in mind primarily the continuation of the unlawful economic restrictions against Poland and what we call propaganda aggression, which continues with unabated force. The Vienna talks were just a preliminary exchange of views, which was not at all easy. Since I have used here the term dialogue so many times, I would not like to repeat myself and say that the Vienna meeting was "the beginning of dialogue."

However, I want to say that goodwill and the desire for improvement in Polish-American relations are invariably with us.

One word for clarity: We do not expect any special privileges, although, to tell the truth, the losses we have suffered through restrictions are good reason for us to have such hopes. What we want is merely that our relations be based on the normal principles that are generally accepted by the international community. It is natural that before this can be achieved it is necessary to abandon the policy of restrictions and to create nondiscriminatory conditions for developing economic, trade, and fiscal relations. I think that mutually beneficial cooperation will be possible and that it is also in the interest of the United States. However, I do not wish to speak for the advisers to the White House. Nor do I know who they are.

The next question was asked by Mr Lothar Loewe from the WRD, West Berlin: Please describe Polish-FRG relations. What are the most urgent bilateral problems that should be solved?

I would like my reply to be a little longer because, first, to us Poles "nothing is alien that concerns Germany," and it is no exaggeration to say that we have 38 million diplomats in this matter; second, Poland is not and, cannot be, indifferent to various features of FRG policy; and, third, since your meeting is dedicated to prospects of accord and cooperation in Europe, Polish-FRG relations are necessarily one of the most important factors in this matter.

It is usually possible to describe relations between two countries with the help of a single adjective, but this is probably not possible in the case of the FRG. Our relations with the FRG are neither wholly "bad" nor wholly "good."

This is because a curious paradox has become apparent in these relations in the past few years. The FRG is precisely that Western country with which we maintain the most lively tourist and cultural traffic, a continuous political dialogue at various levels, and, of course, economic relations.

Let me state at once that we wish and seek to strengthen and expand our cooperation with the FRG on the principle of mutual benefits.

There is no dearth of good will in Poland, but we must see the facts and must note that some FRG politicians are in a hurry to build a facade without caring for the foundations. What is particularly striking in this regard is, if I may say so, a lack of the adequate backbone in the area of the economy. We have obtained a great number of promises, but as soon as the crunch comes, skyscraping obstacles arise before us. How can we map out the main lines of cooperation when the economic views of the FRG's leading circles and the facts resulting from these views continue to change almost as soon as the weather changes, and we know that the weather in our regions is capricious and fickle?

Nor can I pass over in silence and appease through smooth words certain antics -- this is the word to use -- that the competent FRG representatives have again performed recently. The other day, at the session of one of the working groups of the Vienna CSCE conference, we heard the expression "Polish territorial administration" -- this is how Poland's western regions were called! -- as if the 1970 treaty and the Potsdam Treaty were no longer in existence and as if the CSCE Final Act had never been signed. One gets the impression that the German "realpolitik" has left its homeland or that, at least, it has ceased to be a strong point of Bonn policy.

It is significant that various distinguished lovers of humanitarianism and human rights never happen to recall that several millions of Polish workers were used in Germany as slave labor during the war and that Poles were inmates of the concentration camps and Gestapo cellars. These people are still among us and although their numbers continue to diminish, several hundred thousands of them are alive. They have lost their health, training opportunities, and, often, their entire property, and yet they have never been granted even a symbolic DM in compensation.

I think that in view of this approach to human rights some, I repeat, some FRG representatives should be the last people in Europe to hold forth about unanswered the psuedolegal assertions that the "Reich exists in its 1937 borders" and that the "German minority in Poland" totals over 1 million persons. Some of these assertions are a spitting image of the old very bad times. At one time, solemn pledges invoking all German and European saints were made to the effect that Germany and European saints were made to the effect that Germany has no aggressive plans at all -- not even the most insignificant ones -- and that its only preoccupation is the fate of the unfortunate persecuted German minorities in various countries, primarily in Poland.

What is the purpose of all this? Last October one of the leading FRG politicians said at the CDU Congress in Munich that the organizations of the resettlers deserve the Nobel Peace Prize. As far as this prize is concerned, we in Poland can no longer be surprised by anything. However, we wonder to what lengths it is possible to go 41 years after the war that did not end in German success, so to speak.

I realize that my words are harsh, but then not only compliments continue to be addressed to Poland in the FRG. I appeal especially to those of you who have come here from the FRG: Please be just. Do not write that Jaruzelski has again attacked the FRG because it is not we who want the territory of your country, it is not we who question the results of the last war, and it is not we who again start another round of accusations.

To put it mildly, we have had rather restricted relations with the FRG for some decades. Poland is a member of the socialist community, which conducts a concerted, united, and consistent policy in the matter of basic importance for peace in Europe. He who fails to understand this fact deceives himself and his countrymen.

I have said and repeat most strongly that Polish-FRG relations can and should be better. We are ready, finally, to close that calamitous chapter of our millennium-long relations. We are ready to so also with the FRG because we did this with the GDR a long time ago. We see real opportunities for very greatly expanding our bilateral cooperation in almost all spheres. We appreciate similar views of the realistic circles of the FRG, including some politicians.

This means that in the long run we see no crucial reasons why our countries, which belong to opposing political and military groupings, should not be able to make joint efforts in favor of a return of detente.

Do we pose any conditions? Certainly, the condition of realism. We think that even the preelection fever in the FRG should not push to the sidelines the issues that are far more important historically than the results of these of other elections. As for us, we have made our choice once and for all. This issue is related to Comrade Runege's second question: This year over 300,000 persons were involved in Polish and GDR exchanges of young people. What significance do you attach to this action?

My answer is brief: I attach very great significance. Direct and massive contacts between young people of our countries are a valuable internationalist capital and represent one of those initiatives that are of special importance for the development of friendly relations between the peoples in socialist countries.

Let me answer other questions. Mr Bernard Ullmann from L'EXPRESS, France, asks me whether I intend to visit soon some West European countries. Several Italian journalists asked more specifically about this: "What are the obstacles to your Italian visit? When will you travel to Italy if these obstacles are overcome?"

Let me relate the following anecdote. Camillo Cavour, the Italian statesman of the 19th century, confessed one day that he had a foolproof recipe for putting off diplomats by telling them the truth, which they would never believe.

It goes without saying that it is much more difficult to put off journalists, especially such excellent ones as those in this hall.

Plans for diplomatic visits and trips are never subjects of public discussions. That is why I am unable to give you a specific answer with regard to my visits planned for 1987.

I see no obstacles to my visit to Italy. Its date will be announced in line with the generally adopted practice.

The Italian journalists have also asked me about the state of Polish-Italian relations and said this: Polish-Italian economic relations have lately been given an especially important fillip. What is Fiat's official decision on investing in Poland and what is the Polish position on this?

I could certainly talk about the state of Polish-Italian relations, but we have a Polish proverb that says that you should look before you leap. That is why I would prefer to talk about these relations after I have returned from Rome. All I can tell you today is that these relations continue to develop gradually. In particular, we see opportunities to make good the very big drop of 40 percent in our trade.

As for the views of our authorities about an accord between Fiat and the Polish car industry, I wish primarily to stress that decisions of such far-reaching import should not be made on the basis of political sympathies or tastes. Technological and, especially, economic reasons should decide.

Our specialists are still continuing to study the issue, and their proposals will be examined by our state leadership. Then the entire matter will be submitted to the Sejm under the necessary procedures. We have learned a great deal from that unfortunate contract that was signed under the shadow of voluntarism with the Berliet French firm in the seventies.

The Dutch journalists ask the following question: Is there an accord between your government and the Vatican on the pope's visit in Poland next June? If yes, which places will the pope visit?

Last Friday, the joint Government-Episcopate Commission was in session and the episcopal side presented a proposal on the third visit to Poland by John Paul II.

Since the subject was discussed only slightly, it is difficult for me to tell you anything more about it.

However, we should bear in mind one very important thing, namely, that we should, at once, begin creating the necessary conditions for the visit, especially the proper climate for state-church relations, which includes to a decisive extent the clergy's attitude toward the state. A good climate is extremely important for a successful visit, one that will benefit the faithful and Poland. What is more, I see this visit as one more valuable opportunity to reaffirm the strong and laudable commitment of John Paul II to the defense of peace.

Let me now answer several questions on the results of what has happened in Poland in the past few years. Jan Bernard Ullmann asks: Martial law was proclaimed 5 years ago. Could you tell us what are the most important positive changes that have occurred in the past 5 years? What main problems are still there? Are they the economic crisis and debts? The skepticism of large segments of the community? The opposition of the disappointed and embittered members of Solidarity?

Mr Theophilos Frangopopoulos from Greece, who represents ATHENOS, asks: How have you overcome the crisis that had Poland in its grip as recently as 2-3 years ago and that, as I see it, has now been almost overcome.

As for Mr Hans Gerlach from KOELNER-STADT-ANZEIGER, the FRG, he asks the following question: How do you evaluate the country's present socioeconomic situation, especially the course of the recent 10th party congress?

Let me begin with the last question. It was precisely at its 10th congress that the party comprehensively evaluated the results of the past 5 years, but the congress was primarily oriented toward the future and adopted the first long-term party program, which outlined the vision of Polish socialist construction up to the 21st century.

I was able to discuss the congress extensively in this hall in the presence of many journalists on the day after its conclusion. I think that a few months later, the evaluations I presented then have not lost their meaning, and that is why I will limit myself to indicating that which seems most important to me.

The first thing to say is that the 10th congress confirmed the correctness of the line of socialist renewal of the ninth party congress and mapped out new lines of this renewal. Second, the 10th congress provided new incentives for the economic, social, and political processes in our country.

At present, the process of translating congress decisions into practice and specific implementation schedules is continuing amid discussions that are lively and constructive, albeit not void of controversies.

I refer to the now ending countrywide accountability-election campaign within the party. The congress of the Reborn Trade Unions, which has just ended, has also made its crucial contribution. Lively work is continuing in Sejm committees, people's councils, and self-government groups. The coming third plenum of the Central Committee will no doubt play an important role in our work.

It is difficult to briefly summarize what has happened in Poland in the past few years. Our country's reality is very complicated and consists of many layers and shades. I will return to details later on when answering other questions, but now I would like to deal with the following:

The issue is terminological. I concede that we have some feelings of guilt for having introduced the term "normalization" into our language. We often talk about having achieved sociopolitical normalization in our country -- that the situation has been normalized. This can be mistakenly taken for a return to what was at one time, a return to the past. However, our basic thesis, which we have often stressed, is: "There is no return to the situation before August 1980 and before December 1981." Our aim is to make persevering efforts to achieve progress and to create a new and higher sociopolitical and economic quality.

I think that every objective and honest observer will agree that much has changed in Poland for the better. Let us take a look at the economy. Despite our profound economic breakdown, the natural increase of almost 2 million, reduced working time, the burdens imposed on us through economic restrictions, and the need to repay the interest on our debts, our country's economy has experienced many advantageous changes, and although we have still not been able to make good all the losses, our present achievements deserve just praise.

I could go on listing these achievements for a long time -- not from self-satisfaction, but primarily because I would thus be able to pay respect to the workers class and the working people of socialist Poland who have achieved so much under extremely difficult conditions, bearing the heavy burdens of daily life. I also spoke about this at the trade union congress.

Of course, there is a multitude of very complicated problems, about which I will talk when answering questions about our economy and sociopolitical life.

Some questions are about the process of national accord or about the broadly conceived sociopolitical problems of Poland. Mr Hans Gerlach asks about prospects for expanding the party-government dialogue with the people, especially with the former members of Solidarity. Mr. Ullmann asks about the measures I intend to take in order to rebuild trust, following the amnesty for all political prisoners. Comrade Karl von Schnitzer, GDR television, asks about the people's response to the 10th congress proposal to set up the Consultative Council at the State Council and about the chances of this proposal being realized. Mr Guy Poppe from Belgian Radio asks the same question.

I must say that I would have been a little disappointed if no questions were asked about dialogue, accord, and regained social trust. We have gotten used to these questions in the past years, and I have often raised them in my interviews and at all press conferences. This was no accident.

National accord and constant improvements in the social climate are the distinctive features of the changes that have taken place in our country in the past few years.

We have forged far ahead in developing socialist democracy, and I could list and list improved or newly devised solutions and mechanisms, which are often most up to date.

However, such institutional solutions count only if they are backed by the daily dynamic and pulsating militancy of the working people and all the people. This is precisely what we now regard as the most important condition for further progress in developing socialist democracy and national accord.

To illustrate this commitment, let me mention just one example, one that is most topical -- the trade unions -- because we have met here the day after the trade union congress ended.

Every objective observer must concede that the class trade union movement is today the most numerous and fully genuine representation of the working people in our country.

I participated with great interest in the work of this congress. We have to admit that trade unions are not an easy partner for the government and administration. This time, too, they were very outspoken about various problems, some of which caused open contests about the correctness of arguments. However, the atmosphere of the congress was pervaded by a sense of responsibility and solicitude for the development of the issues that are most important for the nation.

The congress, which represented almost 7 million trade unionists, was attended by a large number of foreign delegations, and I have been able to meet their representatives and to talk with them about the situation of trade unions in other countries, including capitalist ones, and about other subjects.

Life is not always easy for trade unionists. In some countries trade unions are unable to operate and in some the number of trade unionists is low. For example, in France only 20 percent of workers are trade unionists, in the United States 25 percent, in the FRG 32 percent, and fewer than 50 percent in Great Britain and Italy.

That is why we are still the more surprised that the governments and mass media in many Western countries devote so much attention and concern to the position and activities of Polish trade unionists. May the peoples in these countries experience in their trade union activities no other problems than just those that the Polish trade unionists experience.

As I have said, two questioners raised the issue of a consultative body at the State Council, actually a body attached to the State Council chairman.

We attach great importance to such a body, which is a bold and unprecedented experiment. The first meeting of the people invited to participate in the Social Consultative Council -- about 70 percent of them are nonparty people -- will be held within a few days. That is why I cannot anticipate anything because I do not know how this meeting will develop and what its result will be.

On the other hand, the meeting will be a significant indication whether our genuine intention to extend the platform of genuine dialogue by including new, independent social groups and communities will meet with the necessary response. It is our great wish that this be so. The authority and civic responsibility of the persons invited to join the council in question shore up such hopes.

However, I must stress that neither Poland's fate nor the very process of accord are exclusively and directly dependent on the results of that meeting. Various forms of socialist democracy do exist and will be expanded, and we have created and continue to create various platforms of dialogue. We do not want to diminish their importance by regarding the coming meeting of the council as the decisive platform of dialogue.

In this connection I wish to add that the conservative streams of Polish political thinking have not been especially gifted in foreseeing the future. The circles presenting this thinking have often missed the bus of history, and this was also the case in the most recent past. Since the influence of these circles is still alive, we are inclined to treat this important experiment with all seriousness and friendly expectations, but, at the same time, with caution.

Mr Per Nyholm of the Danish JUTLAND-POSTEN believes that in connection with the present economic reform the PZPR seems to be encountering serious problems in providing effective motivation for workers and in eliminating red tape in order to achieve a higher economic level. He has asked whether I would agree with the view that the party and the government continue to be blocked in their activities by the people creating these problems and by the medium-level managing cadres. Comrade Kolchanov of the Moscow TRUD asks the following question: The implementation of the Polish economic reform is about to enter a new stage. What are the most characteristic economic and social aims and elements of this new stage? What role should trade unions play in this connection? Referring to this, Mr Bernt Conrad from DIE WELT, the FRG, comments that, for example, Polish trade unions continue to level much criticism and asks how it is possible in this situation to achieve harmony in domestic relations.

These numerous questions cover a very wide area, and this is why it will be difficult to answer them in full.

There is only one way of solving our economic difficulties: Achieving a radically higher efficiency and effectiveness of economic management, by changing gradually but radically the structure of production, and by promoting technological progress, including modern technologies that are thrifty in using energy and materials, with greater speed and effectiveness.

Of course, this is easier said than done.

Briefly, we must strictly observe the tough rules of economics. We must see that the principle of effectiveness and efficiency becomes an overriding principle for all and sundry. This is the guiding motive of the second stage of the economic reform, and this is what we are now working on.

The primary task for the entire economic echelon, workers self-management groups, and trade unions is to strengthen economic balance in order to ensure that the mechanisms of the economic reform are able to operate to the full. In this connection I wish to stress that efforts to make every employee realize that he is a comaster of his plant are no theoretical formula that is detached from life. These efforts are an important road to effectiveness.

Please do not regard what I am going to say as a polemical embellishment, but the thing is that our policy of accelerating our development is quite different in nature from the periods of "prosperity" [Last word in English] under capitalism. The reasons for these periods are not, as some people assert, the natural superiority of capitalism. They are primarily the exploitation of the working people, and the exploitation of entire regions of the world. Many of the countries that have fallen into the debt trap have actually become exporters of capital to the main centers of world capitalism, of cheap labor, and of raw materials sold below their real value.

Mr Bernt Conrade from DIE WELT, the FRG, has asked this question: Poland's economic problems, especially the IMF criteria, call for taking radical and painful measures. Which of them do you regard as priority?

On the other hand, Mr Hans Gerlach approached this issue in this way: What about negotiations with the IMF? What will be the economic results for Poland when it joins the IMF?

First of all, I wish to stress that we have never treated and do not treat our joining the IMF and the World Bank as a panacea for solving our debt problems. However, we take the view that Poland's membership of these two institutions should help it to strengthen its position as a participant in the international credit market and as a partner vis-a-vis the credit countries.

Our negotiations with the IMF and the World Bank have just begun and are at an initial stage. That is why the implementation of the second stage of our economic reform, about which I have already spoken, should help create conditions that are consistent with the criteria applied by the two institutions in question in their credit policy.

Without going into details, I wish to stress at this point that it is impossible to consider the present state of our debts without apprising the results of the economic restrictions practiced against us and without taking into account the fact that almost half of our debts consist of the interest and the interest on the interest.

From this it emerges that not one of Poland's creditors has made losses by providing credit to our country, they have not even lost a single cent. On the contrary, creditor countries have already reaped profits both from exports to Poland and from the interest on the credits that financed these exports, and they will continue to do so in the future. In the light of this, it must be found surprising that there is continued resistance to providing Poland with new credits for the financing of imports.

Recently an interesting point of view was put forward by a group of experts at the forum of the so-called European Parliament. I gather that they proposed that the sums that Poland is to repay in upcoming years ought to be turned into credits.

These credits could be designated for development programs, especially those covering export-oriented branches of the economy. It is difficult to reject the logic of this kind of reasoning.

The next series of questions concern Poland's relations with the Soviet Union and the CEMA countries, particularly economic relations. Mr Per Nyholm asked about trends in relations between Poland and the USSR. He went on to say that from the moment that changes occurred in the leadership of the CPSU, one could detect that the Soviet Union has been striving to better coordinate cooperation within the framework of CEMA. Comrade Zorin also asked for comments on the economic integration of socialist states. On the other hand, Comrade Stanislaw Jakutis of the Vilnius paper CZERWONY SZTANDAR asked a question that runs as follows: "All Poland's friends are interested in Poland being a strong, modern, and highly developed state. Under current conditions, the strengthening of the Polish economy depends on the acceleration of the economy's development. In view of this, I would like to ask how this acceleration will be assisted by the creation of joint Polish-Soviet enterprises, the establishment of direct links between industrial combines in both countries, and the expansion of border area cooperation, including cooperation with Lithuania?" Mr Uleman asked how the various activities undertaken in the USSR by CPSU General Secretary Mikhail Gorbachev, especially activities in the field of economic liberalization, will affect Poland?

Fraternal cooperation between Poland and the Soviet Union, which has been conducted for more than 40 years, has acquired a new impetus in recent times. Friendship, the common ideological goals and aspirations of our peoples, the innovative program lines adopted by our parties at their congresses as well as the unity of direction and thought on the part of the leaderships of our parties has created a qualitatively new basis for the expansion of our bilateral relations.

I would consider the great dynamic of cooperation and its comprehensiveness the most characteristic features of this process.

There has been a definite acceleration of joint searches for new forms and areas of cooperation and the practical application of mutually advantageous solutions accepted by both sides. We are ever more effectively departing from formalism and praise-mongering and turning to the concrete, to effectiveness, and to increasing results by way of various forms of integrating intellectual and material resources. There has been an increase in the range and speed of the exchange of information and the frequency of working and direct contacts at all levels.

We describe this form of cooperation between parties, states, and nations as relations of a new kind. They are fundamentally different from the changes occurring between capitalists states, for example, the changes that are taking place in relations between the United States and the countries of Western Europe. I realize that every brief formulation of an idea is, in a certain sense, a simplification. However, the difference I am referring to is the one that separates free market competition from united cooperation.

I would like to underscore that the flow of experience at the community level has many directions. Poland willingly benefits from it and shares its own experience.

We are receptive to all innovative developments with the qualification, of course, that we only introduce mechanisms and solutions that have proved their worth in practice and are appropriate to our needs and actual Poland conditions.

Incidentally, I would like to make a more general observation concerning this topic. Just as there is no place in the contemporary world -- at any rate, in the long run -- for economic autarky, there is no place for what is just as damaging a phenomenon, what I would describe as "intellectual autarky."

This is most fully expressed by the new Soviet philosophy of thought, which is the subject of so much discussion in the world. Fortunately, it is highly "infectious." It has also struck, if one can so put it, the field of the mechanisms of economic cooperation between socialist states.

For a good many years, Poland has consistently supported change in the area of economic integration in our community. These intentions are also shared by other socialist countries. This is good, because effective therapy requires the active participation of all interested parties. There is a need for bold and energetic actions that will make CEMA a more effective, vigorous, and powerful economic region. This is of key importance for all our countries if we are to meet contemporary demands, to meet contemporary challenges. We discussed this extensively at the last Moscow meeting.

Those forms of cooperation that effectively utilize the integration of the production and the intellectual potential of our states ought to be considered among the most important and attractive, especially from the long-term point of view. I have in mind, among other things, the creation of direct ties between enterprises and scientific and production institutes, and the establishment of joint economic units and research centers. The achievements of Polish-Soviet cooperation in this area are continually increasing. The experience of border area exchange that we have hitherto obtained is also encouraging.

If we are talking today about the need to reconstruct the principles of management in our states, this does not mean that we are thus belittling all the historic and decisive achievements of the Soviet Union, Poland, and the entire socialist world.

In a year's time, a significant section of mankind will celebrate the 70th anniversary of the Great October Socialist Revolution.

In order to better understand and assess the scale of the achievements of the Soviet state, it is worth turning to archival material and old newspaper and periodicals. Having inherited a terribly backward Tsarist Russia, mercilessly bled and greatly weakened by a civil war, a blockade, and by imperialist intervention in particular, the world's first socialist state, after a short respite, paid for the fascist "dream of greatness," for the "Drang nach Osten" with 20 million human lives and incalculable material losses. Despite all these adverse circumstances, the land of the soviets has won achievements of a truly epoch-making character.

Comrade Kare Andre Nilsen of FRIHETEN, Norway, asked: "In your opinion, would it be possible to create a unified European system of economic cooperation, based not only on the participation of the CEMA and EEC states but one that also takes into account the place and role of EFTA states in Europe? What importance do you attach to this third formation? Would it be possible to create a new structure based on three mainstays?"

In view of the current situation, this might seem somewhat idealistic, but one must admit this would be a practice that would bring all-round benefits to the countries of Europe. Having launched initiatives and made proposals concerning the expansion of the general European system of cooperation, Poland has always had and always has in mind all countries and economic formations.

We fully appreciate the important economic role played by EFTA countries in the development of Europe as well as the positive functions of the organization's trade policy for the system of many-sided trade relations that operates under the auspices of GATT.

Besides, we have positive experiences of cooperation with EFTA countries. Even during that most difficult period at the beginning of the eighties, it was marked by stability.

Dutch journalists have raised the subject of joint ventures. They asked to what extent this would constitute an element of the Polish Government's economic policy. How much interest is there in undertakings of this kind at the present time? Can one expect Poland to make greater use of Hungarian models in this field in the future?

The Sejm's approval of a law on joint venture companies in April of this year is a further expression of the consistent introduction in our country of the principles of the economic reform. This presents Polish producers with a new opportunity for the independent intensification of economic ties with enterprises in both socialist and capitalist countries, for an active search for new development possibilities on this basis, and for the maintenance or fostering of production and export-oriented specialization.

The joint venture [last two words in English] or, to give it its Polish name, the joint venture is an efficient channel for the flow of the latest achievements of technical thought and export-oriented marketing. Thus, the law is yet another of those instruments in the government's economic policy that is designed to promote a modernization and restructuring of the production apparatus and the creation of new production strengths with particular attention being given to the country's growing export needs. I stress this: growing export needs.

At the present time, more than 40 Polish enterprises are negotiating appropriate conditions with foreign partners. More than 100 other enterprises have expressed an interest in this form of cooperation. Of course, we cannot expect to produce concrete results in a day or two. So far, one permit has been issued for the setting up of a company of this kind. Those involved in the venture, the object of which is the completion of the operation of the LOT Polish Airlines Passenger Service Center in Warsaw, are Polish Airlines, an Austrian building firm, and an American hotel chain.

We consider Hungarian solutions interesting in this respect, and we are studying the results produced by them. With the acquiring of experience, it is difficult to exclude the possibility of changes being made in the regulations that are currently in force.

Finally, the last question. Mr Michail Kuttnen of the Danish daily BELINGSH-TIDENDE asked me: World opinion about your leadership is divided. Some people see you as reponsible for crushing the first free trade unions in socialist Eastern Europe. On the other hand, there are those who speak of you as the person who saved the country from great danger... How do you see yourself? What place would you like to occupy in the Polish nation's memory?

I am not particularly fond of answering such questions. I think that there are world and Polish issues of greater importance and interest than how I feel or how I see myself.

Perhaps I will begin by saying that there is a Polish proverb which goes: "As you are seen, so you are judged." It means that opinions of people are formed on the basis of what they do, how they behave, how they dress, and so on. Unfortunately, in my case the opposite is often true." As you are judged, so you are seen. This means that first of all an opinion is formulated, and then actions are viewed. Of course, I am not saying this of the press of friendly countries. As for the West, the situation there varied, but, of course, you, gentlemen, are the best informed about this. However, I cannot say that I have sleepless nights because of this. Actually, I do sleep little, but for entirely different reasons.

As for going down in history, I think it is wiser to leave such matters to historians of the next century. There is not reason to hurry.

Those are my replies to the questions that were submitted to me. I am sorry if I did not manage to satisfy everyone's expectations. I apologize if I expressed myself rather brusquely at times and might have offended somebody. This was not done out it ill will but simply in order to indicate more sharply our assessments, thoughts, and intentions.

What is most important is that today's meeting produce greater understanding, which is something that I desire and am counting on very much. This is why there is also an opportunity for you to ask further questions. Mr Podkowinski and I are ready.

Marian Podkowinski: Thank you, Mr Chairman, for this first enormous section that contained so much material. Colleagues, the chairman has expressed a desire to answer questions straight away; we will, therefore, use this opportunity. I will, perhaps, provide only a few technical details. As far as languages are concerned, we have interpreting facilities for Russian, English, French, and German. I understand from Mr Gorski that interpreting from Spanish and Italian is also possible, and there are interpreters in the hall. There are several colleagues with mircophones in the hall who can relay questions. In every case, please provide your name, country, and the name of the media organ you represent. This is just to simplify matters and, being a professional journalist, I would also say that it is for the historical record. Please submit questions by raising a hand or standing up, whichever you wish. Of course, our time is limited.

Tomas Alaksza, MAGYARORSAG, Hungary: As this is my first opportunity to do so, I would also like to convey the following news. The interview that the Comrade General gave to Hungarian television in July received a "diploma of quality." I offer my congratulations. And I have a question: The Consultative Council is to work under and to be attached to the State Council and not to the Council of Ministers, although the Council of Ministers is the executive organ. [Declarative rather than interrogative form as published] And my second question: I apologize if this may sound impolite, but the general is both chairman of the State Council and first secretary of the PZPR. It is all envisaged that these two posts will be separated? Thank you.

Wojciech Jaruzelski: My reply to the first question is that the State Council is an organ whose character and powers are widely known. This is why the proposal to establish a Consultative Council attached to the State Council and closely connected with the the chairman of the State Council is, in our opinion, the most appropriate solution. We wish the Consultative Council, as a social body, to be a forum for serious dialogue between persons representing various communities and various opinions and ideologies, and not a institution of the executive kind.

As for the second question, I do not see it as being annoying. In the one case, the choice was made by the party congress, in the second, by the Sejm. And only these bodies, to be more accurate, the Central Committee and the Sejm, can decide whether the combining of these two posts is appropriate or not. It would not, I believe, be correct for me to comment on and put forward my own arguments.

Vikentiy Matveyev, IZVESTIYA, USSR: Comrade Jaruzelski, before asking a question, on behalf of my comrades and colleagues, I would like to express a great pleasure at having an opportunty to meet you in person, and to take part in a forum such as "Jablonna" has become. In a certain sense it can even be compared with forums such as those that have been in Belgrade and Madrid and the one that is currently being held in Vienna, the differences being that we are subject to the limitations of representatives of the mass media and we cannot, of course, adopt any positions. My question is as follows: Were you surprised by Mrs Thatcher's and President Mitterrand's negative response to the proposal to eliminate both Soviet and American medium-range missiles deployed in Europe. Do you think that the prospect of simultaneously removing both Soviet and American missiles would endanger Poland's security to any degree?

Jaruzelski: The reaction really was surprising. It surprised not only me but also a great many other people. Just as surprising is the reaction -- I shall express this in somewhat extreme terms -- to any case of attempted suicide. After all, the countries of Europe, including Western Europe, ought to be especially interested in removing from this most sensitive area these most deadly and dangerous weapons. Hence, one should express surprise that the leaders of the states mentioned by you assumed this stance, a stance which, in my conviction -- and here I am speaking as a politician but also as a military man -- is incomprehensible and is the cause of deep regret. Unfortunately, this is an expression of the clear and noticeable dependence of certain moves and decisions made by some Western European countries on the global policy being conducted by the United States. In the given case, this dependence deepens divisions in Europe -- as I have already said in answer to earlier questions -- which do not encourage detente and which create an additional area of joint anxiety.

Jan Otto Hange, Norway: I was in Poland 3 years ago. There is no doubt that much has changed for the better since then. A high level of social stability has undoubtedly been obtained. But one thing has not changed: the black market. It seems that Poland has the most highly developed black market in the world at the present time. I am not saying this from the position of someone who bears ill will but I have talked with many Poles, and, incidentally, they were not dissidents, and I was told that one has to be a real artist to live in Poland under current conditions. Can you imagine Poland being a country without a black market in a few years' time?

Wojiech Jaruzelski: It is hard for me to say whether Poland really does have the largest black market in Europe. Of course, we would not wish to hold a record of this kind; we would prefer there to be no black market. The economic activities I spoke about in reply to an earlier question are primarily directed at effecting economic equilibrium. And economic equilibrium means the death of the black market. This is also why we attach so much importance to the second stage of the economic reform, which should contribute to improving the efficiency of our economy, to effecting its full recovery, and to removing every ill and unfavorable phenomenon that still exists in our economy.

Thank you for this observaton, which was delivered in a friendly and concerned way.

Manuel Somosa, PRENSA LATINA Cuba: The government of the United States is experiencing a crisis of confidence following the exposure of secret arms sales to Iran. Part of the money obtained from these sales was diverted to an account belonging to Nicaraguan counterrevolutionaries. This all went on behind the backs of Congress and the American people. What is your assessment of this, and what possible consequences could this fact have for the immediate future of East-West dialogue?

Wojciech Jaruzelski: The reply to this question should, I believe, be short and unambiguous. I consider the fact very negative. And this is, I believe, the general opinion of Polish society. Besides, we have expressed this view because we see the situation as having political significance, as well as -- and this too is not without importance -- a negative moral significance, which leaves a mark on relations between states and makes mutual understanding and accord more difficult. I resolutely condemn such activities.

Matthew Vitta, ASSOCIATED PRESS, United States of America: General, it seemed to me that your statement concerning a possible papal visit to Poland contained a certain note of doubt. Do you intend to send an invitation to the pope and what concrete benefits could accrue from such a visit?

Wojciech Jaruzelski: I do not know what trace of doubt you could detect in my reply to the question about a papal visit to Poland. I simply replied in a manner that was appropriate to the actual state of affairs. Thus, there is nothing to be added to what I said. Please carefully reexamine the reply that I gave to the question.

Berndt Aishmann, GDR: We are really pushed for time now. Thank you for your reply to my first question and to those asked by my GDR colleagues. I am very pleased that I have an opportunity to make the following observation: I have become converted and wholeheartedly support today's day without a cigarette. But that was just an aside. And now seriously, Comrade General, what has been the response to the proposal that you made in Katowice concerning the holding of an international conference of CSCE signatories in Warsaw in 1989 on the 50th anniversary of the outbreak of World War II? And what are the motives behind your proposal?

Wojciech Jaruzelski: The motives are simple and obvious. They are the same as those that inspire our entire policy of working toward the expansion and strengthening of what I will call the fabric of peaceful coexistence. For this to happen it is essential that, on the one hand, we remember everything that Europe and the world experienced not so very long ago and, on the other hand, that we recall what Europe and the world may experience if the arms race is not halted and we enter on a further, dangerous spiral. I am of the opinion that such a meeting — if it were to take place, and that is what we want very much — would allow us, first of all, to achieve an important political effect, a psychological and moral effect. It would allow us to sit at one table and consider today's most vital issues. This is not a proposal signed to advertise Polish initiative or Polish activeness. It stems from the deep conviction that it is essential to undertake all possible actions that can contribute to better understanding and can relieve various rancors, doubts, and prejudices. And we are of the opinion that both the date and the country — Poland — create proper and favorable conditions of both time and place. This has been behind our initiative.

James Hogan, THE WASHINGTON POST, the United States: The lack of concrete results which, as you said, were expected following the September amnesty, gives the impression that a political impasse has been reached in Poland. In fact, it gives the impression that Poland is divided, that there are two sides, that there is the government and, at the same time, Solidarity's underground structures and temporary councils. I would, therefore, like to know whether you intend to tolerate this state of affairs or do you intend to combat it, to eliminate it? What do you intend to do?

Wojciech Jaruzelski: I did not speak about a divided Poland. Many times we have drawn attention to the fact that the mass media in the West falsely and wrongly use an expression that on the one side there are the authorities — the party and the government — and on the other, society; and that there exists an antagonistic contradiction between two sides. An explanation would take considerable time, and after all we have had an opportunity to talk on this subject more than once, but the facts testify best, and all processes which are taking place in Poland and which are the clear proof that a decisive system, on the ground of constitutional principles, and that it takes active part in overcoming all difficulties that our country is struggling against, that it gives expression to that by taking part in political events of various kinds, such as the election for the Sejm last year. I could give many more such examples. We are not negating, we are not stating that there are no forces or people in Poland who are against the present socialist state, who conduct activities against the state. Here I have, I would yesterday, a transinternational route truck was stopped — this is a big truck from Sweden — carrying materials for illegal activities, including 84 most modern publishing machines, printers, and disc drives; several computers; a radio transmitter; and 12 offset printing machines.

I did not cite this fact accidentally, as these forces, these circles which act from illegal positions, contrary to the law and against our state, act on the basis of very close ties and with very strong support from external agents, which thus and in many other ways reinforce them. I judge that if all those who wish Poland well -- or at least say they wish us well -- left us to ourselves, did not help but did not hinder, we would definitely find our own, Polish, sovereign solutions significantly faster, ones that serve the nation and influence the direction which we have accepted and consistently wish to implement: socialist renewal, strengthening the processes of democracy, strengthening pluralism understood in a socialist fashion. Here, against this background, I would like to digress a little. This slogan, the slogan of pluralism, continues to circulate; of course, with such a sub-text that there is no pluralism in Poland. Indeed, for various political pyrotechnicians, pluralism cannot be and will not be understood as immunity. In any case, I judge that it does not exist in other countries. On the other hand, Polish socialist pluralism is wide and will be developed. I stress: The point is socialist pluralism, which is richer in our country and often more authentic than in many countries which make various charges against us in this respect. Pluralism is a specific category, a historical one. We are against conceiving it in such a way -- let us take an example -- pluralism is not for instance, American. Neither American nor miraculous: Pluralism has many historical sources; English, French, Polish, capitalist and Marxist. It has many faces. We will not put on a mask which hides our appearance. In a word, I would like with this reply to simultaneously convince the questioner that the sincerest and deepest intention of our party is to achieve good order in our state, the widening of the plane of national accord, the creation of the widest possibilities for all people and all citizens of our country to participate in these structures, which are today so rich in socialist democracy, which create full possibilities for a political release of energy and an attainment of full satisfaction in solving those tasks which the country faces.

Lothar Leuwe, ADRL television, FRG: General, do you think that a visit to Poland by FRG Chancellor Kohl could be a possibility next year? It could help to improve Poland's relations with the FRG, which, as you said, is Poland's intention.

Wojciech Jaruzelski: As you all know, preparations are being made in the FRG for another election. It is not our business to involve ourselves in them by talking about or counting on this or that visit by this or that person from the state's leadership. But that would, of course, be a formal reply.

The substantive reply should lead -- and this is most important -- to the creation of real facts, to real premises for an improvement in and the development of mutual relations, for which subsequent high-level visits create a kind of superstructure and strengthen these relations and give them new impulses. As I have indicated in replies to earlier questions, there are many problems that require urgent solutions and an urgent cleansing. The sooner this is done, the sooner -- and I think with mutual benefits -- we will be able to meet with representatives of the FRG. We are interested in this.

Gemma Aizpitarte, EFE, Spain: General, I very carefully follow all that is said about restructuring the Polish economy that concerns reducing material- and energy-intensive -- this "key to the recovery of the Polish economy." Unfortunately, progress in this area has not been very great over the last 5 years. Certain Polish economists have formulated the thesis that the decision center is paralyzed and does not want to assume responsibility for unpopular decisions, for closing unprofitable steel plants, cement plants, and other plants. At the same time, the absence of bold decisions aggravates the crisis and might lead to the collapse of the Polish economy. Could I hear your opinion on the subject?

Wojciech Jaruzelski: As I already mentioned, the third plenary session of the Central Committee will shortly be held, in the middle of December. This will be followed by a meeting of the Sejm. These will be important events that are connected with a profound, far-reaching assessment of current economic policy and the directions of its further development.

We have never said that our economic policy is devoid of weakness and mistakes. I personally have admitted this on more than one occasion. Nevertheless, in judging the economic leadership of our country as harshly as you did a moment ago, one should always take account of hard facts and the starting point. Only then is it possible to objectively evaluate the extent to which the work directed by representatives of the government responsible for such matters is correct and effective. I do not wish to go into details, there are a great many of them. But if we look at Poland at the end of 1981 and the beginning of 1982 and at what we have today, then we have a right to say that a great deal of progress has been made. Could this progress be greater? Yes, of course it could. But it would be erroneous and unjust to attribute this exclusively to weaknesses of a subjective kind. It would be erroneous because the things that restrict our room to maneuver and impede acceleration were and are the enormous difficulties that we inherited as a result of the mistakes that were made during the seventies. Then there was the great devastation that occurred during the years 1980-81. Later, there were restrictions that caused great harm to our economy and continue to do so to this day. And finally, because we have begun to repay interest on our debt. Previously the situation was different because we received credits and thus made the situation less difficult temporarily.

If we take all this into account, then the picture will be rather more objective. However, having said this, I do not mean to imply -- for I believe that self-criticism is the essence of responsible management -- that there is not much that can be improved in our economy. On the contrary, we must make improvements. And we will work toward this end.

Marian Podkowinski: Thank you, Mr Chairman. Our marathon is at an end -- it lasted 3 hours. On behalf of everyone present here, I would like to thank you sincerely for the time that you have spent replying to these questions. Tradition has been satisfied. Thank you very much. And should one ask when the next Jablonna will take place, the answer is in 2 years' time.

Wojciech Jaruzelski: Thank you ladies and gentlemen for listening patiently to what was, after all, a very long exposition. But we do not meet at such forums all that often and it seems to me that the extensive review that I could conduct, thanks to your questions, has enabled you to take note of and better understand certain things. I wish you a happy stay in Poland and I invite you to visit again. Thank you very much.

CHANGES ANNOUNCED IN INTERNAL AFFAIRS MINISTRY

LD232309 Warsaw Domestic Service in Polish 1800 GMT 23 Dec 86

[Text] The chairman of the Council of Ministers, at the resolution of the minister of internal affairs, has made the following changes in the leadership of the Ministry of Internal Affairs:

Lieutenant General [General Dywizji] Wladyslaw Pozoga, presently undersecretary of state, has been appointed first deputy minister; Lieutenant General Wladyslaw Ciaston, who is moving to the diplomatic service, has been recalled from the post of undersecretary of state; Major General [General Brygady] Henryk Dankowski has been appointed to the post of undersecretary of state.

MEETING ON CHEMICAL WEAPONS-FREE BALKANS ENDS

AU231419 Bucharest AGERPRES in English 1403 GMT 23 Dec 86

[Text] Bucharest AGERPRES 23/12/1986 -- A meeting at the level of experts of the Balkan countries on the creation of a chemical-weapon-free zone in the Balkans took place in Bucharest on 22 and 23 December, 1986.

The People's Republic of Bulgaria, the Hellinic Republic, the Socialist Republic of Romania, the Republic of Turkey and the Socialist Federal Republic of Yugoslavia were represented at the meeting. The Republic of Turkey took part as an observer.

The participants in the meeting received with particular satisfaction and gave in high appreciation to the message addressed on this occasion by the president of the Socialist Republic of Romania, Nicolae Ceausescu.

During the meeting, views were exchanged on the transformation of the Balkans into a chemical-weapon-free zone. In this context, each delegation put forward the considerations of its country.

The Romanian delegation presented a draft solemn declaration concerning the proclomation of the Balkans a chemical-weapons-free zone.

The document was received by the participating delegations in order to be conveyed to and examined by the respective governments who would send their responses to the Romanian Government.

The meeting took place in a friendly, business-like and constructive atmosphere, in a spirit of cooperation.

The participants in the meeting were received by Ioan Totu, Romanian minister of foreign affairs. On this occasion an exchange of opinions took place on the problems under discussion at the meeting and the possibilities for the continuation of the efforts in this respect.

The participants in the meeting of the Balkan countries expressed their appreciation for the organization of this meeting, the facilities provided and the hospitality extended to them during their stay in Romania.

BOBU ADDRESSES HIGHER HEALTH COUNCIL MEETING

AU231703 Bucharest AGERPRES in English 1522 GMT 23 Dec 86

[Text] Bucharest AGERPRES 23/12/1986 -- A plenary meeting of the Higher Health Council was held in Bucharest on December 23 to analyse the activity of the medical personnel in the light of the Thirteenth RCP Congress resolutions on the steady improvement of the population's health condition. New tasks were set for a higher quality of prophylactic actions.

The plenary meeting was attended by Emil Bobu, member of the Executive Political Committee, secretary of the CC of the RCP, who also addressed the attendance.

The participants in the plenary meeting sent a telegram to RCP General Secretary and Romania's President Nicolae Ceausescu.

BORBA COMMENTS ON USSR'S ALMA-ATA DEMONSTRATIONS

LD232139 Belgrade TANJUG in English 2013 GMT 23 Dec 86

[Text] Belgrade, Dec 23 (TANJUG) -- The recent student demonstrations in Kazakhstan, the second largest Soviet republic whose population includes members of all of the Soviet Union's 110 peoples and ethnic groups, are closely connected with both inter-nationality relations and the present changes in Soviet society, the Yugoslav daily BORBA writes today.

The demonstrations of university and secondary school students in the streets of Alma-Ata, the Kazakh capital, did not come as a surprise to those familiar with Soviet conditions, says the daily.

First, for nearly ten years, Kazakhstan's social and economic development plans were not being fulfilled, even though reports to the contrary were being regularly issued in Alma-Ata.

Secondly, a few days before the demonstrations, first secretary of the Central Committee of the Kazakh Communist Party Dinmukhamed Kunayev (74) was removed from the office he held for the past 22 years. He was succeeded by Gennadiy Kolbin (59), an ethnic Russian, which can be considered a surprise as it was not expected that the republic's party leader would no longer be a Kazakh. The Kazakhs are the second-largest community in the republic -- the first are the Russians -- but the order is not the same so far as the posts in its top leadership are concerned.

BORBA notes that "discord" in inter-nationality relations has been felt in some environments in the Soviet Union for some time now. Closely connected with this is the opening of debates on many "taboo themes" in Soviet society which doubtless include inter-nationality relations.

BORBA says that the outbreak of demonstrations in Alma-Ata was also influenced by religion, which is often -- and not only in Kazakhstan -- equated with nation.

ARTUKOVIC'S CLEMENCY REJECTION, LEGAL OPTIONS

LD232212 Belgrade TANJUG in English 1744 GMT 23 Dec 86

[Text] Belgrade, December 23 (TANJUG) -- The Presidency of Yugoslavia has rejected an appeal for clemency lodged on the part of convicted war criminal Andrija Artukovic (86), who was sentenced to death by the District Court of Zagreb on May 14, on charges of war crimes against civilian population and prisoners-of-war.

The sentence was upheld by the Supreme Court of Croatia on July 24, and the Federal Court of Yugoslavia, as the last regular legal instance, on September 2.

The appeal for clemency was lodged ex officio by the Federal Secretariat for Justice because Artukovic, his relatives and his lawyers had failed to do so. In such cases, the Yugoslav Amnesty Act of 1977 provides for the ex officio lodging of clemency appeals.

The only remaining venue for Artukovic and his lawyers now are three special legal remedies — an appeal for extraordinary mitigation of the sentence lodged with the federal court, an appeal for re-trial lodged with the court of first instance, and an action for the protection of legality which can be instituted by the federal public prosecutor.

As Interior Minister of the puppet government of the so-called "independent state of Croatia" — a wartime quisling creation on Yugoslav territory — Artukovic was responsible for the genocide over Serbs, Jews and Gypsies which continued for four years, and for the physical extermination of antifascists regardless of nationality. The Ustasha "minister of death" personally ordered the setting-up of concentration camps in which hundreds of thousands of men, women and children were killed.

For decades Artukovic — the "Balkan Himmler" as the world press dubbed him — had managed to escape justice, to be finally extradited by the United States to Yugoslavia on February 12 this year. The request for his extradition, originally submitted to the U.S. Government by competent Yugoslav authorities on March 31, 1951, was renewed on August 21, 1984.

PRESIDENCY SUBMITS NAMES OF COUNCIL NOMINEES

LD240024 Zagreb Domestic Service in Serbo-Croatian 1800 GMT 23 Dec 86

[Text] The SFRY Presidency has submittd to the SFRY Assembly a proposal for the election of 29 prominent revolutionaries and sociopolitical workers to the council of the federation.

The following have been proposed: Milutin Baltic; Dimce Belovski; Stipe Bilan; Jure Bilic; Dusan Bodgdanov-Senko; Tome Bukleski; Marijan Cvetkovic; Nijaz Dizdarevic; Vaska Duganova; Risto Dzunov; Dr Aleksandar Grlickov; Ivo Jerkic; Hajrudin Hajro Kapetanovic; Danilo Kekic; Nikola Kmezic; Vjera Kovacevic; Ivan Kukoc; Dragoslav Markovic; Dr Ljubisav Markovic; Stojan Milenkovic; Zoran Polic; Mitja Ribicic; Vlado Scekic; Mijusko Sibalic; Branislav Skembarevic; Mika Spiljak; Ilija Topalovski; Dr Tihomir Vlaskalic; and Dr Anton Vratusa.

The SFRY Presidency has also proposed that the following members whose mandate expired on 21 December be reelected to the Council of the Federation: Vicko Antic; Ljubo Babic; Julij Beltram; Jakov Blazevic; Ivan Branko; Dr Marijan Brecelj; Bogdan Crnobrnja; Mikoslav Cangalovic; Boro Causev; Veli Deva; Ante Drndic; Rato Dugonjic; Strahil Gigov; Dr Dragisa Ivanovic; Mihajlo Javorski; Dusan Korac; Milija Kovacevic; Sreta Kovacevic; Todo Kurtovic; Niko Mihaljevic; Iko Mirkovic; Dr Isidor Papo; Hakija Pozderac; Ida Sabo; Dusan Sekic-Saca; Nikola Sekulic; Tankosava Simic-Ana; Bosko Siljegovic; Milos Sumonja; Franc Tavcar; Vida Tomsic; Josip Vidmar; Olga Vrabic; and Milan Vukasovic.

CELEBRATIONS, ADDRESSES COMMEMORATE ARMY DAY

Presidency Decrees Promotions

AU232059 Belgrade BORBA in Serbo-Croatian 20-21 Dec 86 p 1

[Text] Belgrade, 19 Dec (TANJUG) — By the decree of the SFRY Presidency, Lieutenant Generals Zdravko Dimic and Slavko Djurdjevic are promoted to the rank of colonel general, and Major Generals Ramiz Abduli, Zivota Avranovic, Ilija Boric, Simeon Buncic, Dr Nikola Cubura, Dr Mico Chusic, Dragisa Drljevic, Slavoljub Djokic, Konrad Kolsek, Nikola Maravic, Ali Muhadjiri, Edvard-Slavoljub Pavcic, Sakib Pozderac, Ivan Radanovic, Alojz Vesic, and Danilo Zezelj are promoted to the rank of lieutenant general.

Rear Admirals Milan Nikolic and Petar-Krsto Simic are promoted to the rank of vice admiral.

Colonels Jevrem Cokic, Ljubomir Domazetovic, Dragutin Djurickovic, Vladimir Djurovic, Milan Grujic, Fikret Jakic, Mirko Mandic, Dragutin Ozbolt, Berislav Rosic, Leopold Rozanc, Andrija Silic, Ivo Tominc, Tomislav Trajcevski, Teodor Troha, Dusan Uzelac, Vukasin Vilotic, Miodrag Vukadinovic, and Bozidar Vuksanovic are promoted to the rank of major general.

Captains [kapetan bojnog broda] Josip Erceg, Miodrag Jokic, and Fridrih Moreti are promoted to the rank of rear admiral.

Officers Decorated

LD200236 Belgrade TANJUG Domestic Service in Serbo-Croatian 1458 GMT 19 Dec 86

[Text] Belgrade, 19 Dec (TANJUG) -- By decree of the SFRY Presidency, on the occasion of 22 December Day of the Yugoslav People's Army, the following officers have been decorated for their services in the development and consolidation of peaceful cooperation and friendly relations between the SFRY and other states, as well as for exceptional services in their work on the development of citizens' awareness in the struggle for the country's independence:

Colonel-Generals Zorko Canadi, Veljko Kadijevic and Perica Vucetic have been decorated with the Order of the Yugoslav Flag with Sash.

Colonel-Generals Georgije Jovicic, Eugen Lebaric and Metodija Stefanovski, and Lieutenant-Colonel-General Mujo Mujkic have been decorated with the Order of the Republic with Golden Sash for exceptional services in the field of public activities, which contributes to the country's general progress.

The Order of Meritorious Service for the People with Golden Star for exceptional services and achieved results in the work of importance for the socialist development of the country have been presented to Admiral Sveto Letica and Lieutenant-Colonel-General Martin Spegelj.

Lieutenant-Colonel-General Zivorad Lazarevic has been decorated with the Order of Brotherhood and Unity with Golden Wreath for exceptional services in the creation and development of brotherhood and unity among our nations and nationalities.

Hasani Greets Armed Forces

LD211202 Belgrade TANJUC Domestic Service in Serbo-Croatian 0919 GMT 21 Dec 86

[Text] Belgrade, 21 Dec (TANJUG) -- Sinan Hasani, president of the SFRY Presidency, sent a message to members of the SFRY Armed Forces on the occasion of Yugoslav Army Day, 22 December:

Comrade soldiers, sailors, cadets, officers, and civilians serving in the Armed Forces:

On behalf of the SFRY Presidency, I send you greetings on Yugoslav People's Army [YPA] Day, 22 December.

Participating in the great battle being waged by the working class, working people, and citizens of our country under the leadership of the LC for further socialist social development, economic stabilization, improvement of socialist self-management, and the strengthening of the equality, brotherhood, and unity of our nations and nationalities, and the strengthening of Yugoslavia's international position, you, with your self-sacrificing work, have this year too, succeeded in strengthening even more the military readiness and moral-political strength of the Armed Forces, thus contributing to the shoring-up of our community's defensive power. Firmly integrated with working people and citizens in the united system of all people's defense and social self-protection, you have confirmed that our Armed Forces are developing consistently on the bases of the achievements of the national liberation war and the socialist revolution.

The unity of the Armed Forces and working people and citizens, the foundations of which were laid in the revolution, and which was developed and enriched in the process of the development of our socialist self-managing society, is a powerful basis upon which in the future, too, the strength of our defense will be developed and intensified.

It is necessary that you constantly invest efforts, "each individually and all together," as Comrade Tito often used to say, and persevere unhesitatingly so that your units, institutions, commands and headquarters are always ideopolitically united, morally sound, and equipped with the expertise to carry out tasks in all conditions.

I wish you fresh successes in the performance of these very responsible tasks.

Hasani Addresses Delegation

LD221858 Belgrade TANJUG Domestic Service in Serbo-Croatian 1307 GMT 22 Dec 86

[Text] Belgrade, 22 Dec (TANJUG) -- On the occasion of Yugoslav People's Army (YPA) Day, Sinan Hasani, president of the SRFY Presidency and members of the Presidency, together with most senior officials of the federation, today received in the Palace of the Federation a delegation of the Armed Forces of Yugoslavia, led by Admiral of the Fleet Branko Mamula, federal secretary for national defense. Also present at the reception were Milanko Renovica, president of the LCY Central Committee Presidium and member of the SFRY Presidency, Ivo Vrandecic, president of the SFRY Assembly, Raif Dizdarevic, federal secretary for foreign affairs, Dobroslav Culafic, federal secretary for internal affairs, Ljubisa Korac, secretary general of the SFRY Presidency, and Major General Zarko Vujasinovic.

Greeting guests and all members of the Armed Forces of Yugoslavia, President Hasani, on behalf of the SFRY Presidency and on the occasion of YPA Day, said among other things:

"Marking great dates in the National Liberation War and revolution, such as the day of the birth of the YPA, we convey our thoughts and feelings of deepest reverence on this occasion, too, to the deeds of Josip Broz Tito, strategist of the national liberation struggle and revolution, Supreme Commander, creator of the conception of all-people's defense and social self-protection, great statesman, and a creator of the nonalignment policy, who raised Yugoslavia's reputation onto a high pedestal in the world.

"We are at the end of 1986, when we take stock of the economic and overall social development of the country. Proceeding from the congress decisions, our society has started a decisive struggle to find a way out of the existing crisis and to overcome the difficulties confronting us.

A series of measures has been taken, especially concerning the resolution on the policy of sociopolitical development for the year ahead, and the adoption of systemic measures designed to ensure conditions for solving key questions and facilitate our more dynamic and rapid development. In addition, a series of actions have been initiated for the further development of socialist self-management, and a proposal has been prepared on how to carry out constitutional changes. An energetic struggle has also been initiated against our own weaknesses, for the execution and consistent implementation of the decisions adopted, and for the strengthening of responsibility. At the same time, we have also started a determined battle against all antisocialist phenomena and forces, which appear most frequently from positions of nationalism, the bourgeois right, or come from the so-called leftwingers. In this, the struggle against greater Albanian nationalism and irredentism in Kosovo and all other nationalisms in Kosovo and beyond has a special place.

"Despite all the well-known difficulties, this year we have achieved results worthy of attention in many fields. Industrial and agricultural production has been increased, the market is well supplied, a certain growth in labor productivity has been achieved, the number of those in employment has increased to a certain extent, greater foreign exchange income from tourism has been generated, and we are regularly paying off debts to foreign creditors, and so forth.

"In today's exacerbated relations in the world, in the atmosphere of distrust, with the existence of several hotbeds of war, armed interventions and other forms of danger to security, and in parallel with the struggle for peace and the peaceful solution of the open problems between peoples and states, we must constantly strengthen our defense and self-protection capability.

"Our Armed Forces, particularly the YPA, are equipped with modern armaments and military equipment, the result of great efforts by the whole community, by all our working people and citizens. Of particular significance is the fact that we produce the greatest part of these armaments and military equipment with our own resources.

We will resolutely advocate the continued strengthening of the popular and working class character of the YPA and the Armed Forces as a whole. The Army has been and will remain a true factor in forging brotherhood and unity and the common armed strength of all our nations and nationalities, as it was created by the LCY and Comrade Tito.

"Finally, allow me to pay my respects on behalf of the SFRY Presidency on this occasion to you, the leading cadres and all members of the Armed Forces, for the efforts you have invested, the results achieved in the development of our Armed Forces, and the strengthening of the system of all-peoples defense and social self-protection. As always, it is up to you to be the sure defender of independence, freedom and the territorial integrity of the SFRY, and a reliable support to the working class and working people in the construction of socialist self-managing society."

Dizdarevic Greets Mamula

LD210323 Belgrade TANJUG Domestic Service in Serbo-Croatian 1721 GMT 20 Dec 86

[Text] Belgrade, 20 Dec (TANJUG) — In connection with Army Day, Raif Dizdarevic, federal secretary for foreign affairs, has sent most cordial greetings to Branko Mamula, federal secretary for national defense, and to all members of the SFRY Armed Forces. The telegram stresses that 22 December is marked as one of the most celebrated dates of our national libration struggle and revolution.

It is also a reason for us to remind ourselves of the role of the Yugoslav People's Army in preserving our independent and nonaligned homeland and in developing our socialist self-managing society of the equal nations and nationalities of Yugoslavia.

Mamula Pays Tribute to Tito

LD221450 Belgrade TANJUG Domestic Service in Serbo-Croatian 1239 GMT 22 Dec 86

[Text] Belgrade, 22 Dec (TANJUG) -- On the occasion of Yugoslav People's Army (YPA) Day, a delegation of the SFRY Armed Forces led by Admiral of the Fleet Branko Mamula, federal secretary for national defense, Colonel General Zorko Canadi, YPA chief of general staff, and Georgije Jovicic, president of the JNA LCY Organization Presidium, today visited the Josip Broz Tito Memorial Center and laid flowers on the tomb of their supreme commander, Marshal of Yugoslavia, Josip Broz Tito. Immediately after the laying of the flowers, members of the delegation signed the House Flowers' visitors' book beneath the following words:

"Today, the 45th anniversary of the YPA, members of the SFRY Armed Forces express their deep respect for you, their supreme commander. You demonstrated your revolutionary political and military genius during the most fateful moments in the history of our nations and nationalities and with your thinking, life, and in what you did during a period of over four decades, inspiring the generations of the architects of our socialist self-managing society and the defenders of the achievements of the revolution. This inspiration, your thinking, and your work are for us a lasting source of militant and moral strength in the further development of the socialist revolution and the most powerful motivation to defend even more resolutely the integrity of the homeland and its self-managing socialist being. We are continuing your immortal work proudly, consistently, and with perseverance."

After laying flowers, Admiral Mamula talked with representatives of the memorial center, showing an interest in the future activities of the center in preserving the name and deeds of Josip Broz Tito.

Tito's Military Theory Lauded

LD212040 Belgrade TANJUG in English 1845 GMT 21 Dec 86

[Text] Belgrade, Dec 21 (TANJUG) -- Josip Broz Tito's conception that every country and every nation, regardless of size, can resist an aggressor more successfully by establishing an original form of military organization founded on its own forces has become a legacy to the world, and has been proven time and again through liberation and revolutionary movements in the twentieth century -- Admiral Branko Mamula, Yugoslav secretary for national defence, today said on the occasion of the celebration of the 45th anniversary of the formation of the Yugoslav People's Army.

Adm. Mamula pointed out Tito's practical and theoretical activities on the formation of a qualitatively new theory of war skills in a total national war, characterized by a specific combination of military organizational structure of the type of regular army and a partizan way of fighting.

Mamula spoke about Tito's contribution to military-scientific thought at a celebration held in the "Marshal Tito" Armed Forces Centre for Strategic Research and Studies and the Senior Military School in Belgrade.